

ALAMEDA COUNTY BOARD OF SUPERVISORS  
MINUTE ORDER

The following action was taken by the Alameda County Board of Supervisors on 03/07/2017

Approved as Recommended

Other

Unanimous  Chan:  Haggerty:  Miley:  Valle:  Carson:  -4

Vote Key: N=No; A=Abstain; X=Excused

Documents accompanying this matter:

Resolution: R-2017-64,R-2017-65,R-2017-66,R-2017-67,R-2017-68,R-2017-69

Documents to be signed by Agency/Purchasing Agent:

File No. 29942

Item No. 17

Copies sent to:

Linda M. Gardner

Special Notes:



I certify that the foregoing is a correct copy of a Minute Order adopted by the Board of Supervisors, Alameda County, State of California.

ATTEST:  
Clerk of the Board  
Board of Supervisors

By: R. Bailey  
Deputy



ALAMEDA COUNTY COMMUNITY DEVELOPMENT AGENCY

Agenda Item 17 March 7, 2017

Chris Bazar  
Agency Director

February 21, 2017

Honorable Board of Supervisors  
Administration Building  
Oakland, California 94612

Dear Board Members:

**SUBJECT: ADOPT SIX FUNDING RESOLUTIONS FOR IMMEDIATE  
COMMITMENT OF FUTURE BOND FINANCING FOR  
AFFORDABLE HOUSING DEVELOPMENT PROJECTS  
CLOSING CONSTRUCTION FINANCING IN SPRING 2017**

**RECOMMENDATION:**

Adopt six resolutions committing Measure A1 Bond funds to these affordable housing developments projects in Alameda County after the Bonds have been issued and made available:

- A. Up to \$1,900,000 for the 3706 San Pablo Avenue project developed by EAH Housing for 87 units of affordable housing in Oakland and Emeryville;
- B. Up to \$1,000,000 for the Eagle Avenue project developed by the Alameda Housing Authority for 20 units of affordable housing in Alameda;
- C. Up to \$1,700,000 for the San Leandro Senior project developed by Bridge Housing for 85 units of affordable housing in San Leandro;
- D. Up to \$3,000,000 for the Mission Court Senior Apartments project developed by Eden Housing for 90 units in Fremont;
- E. Up to \$2,500,000 for the Coliseum Connection project developed by UrbanCore Development for 110 units of affordable housing in Oakland; and
- F. Up to \$1,000,000 for the Redwood Hill Townhomes project developed by Satellite Affordable Housing Associates for 28 units of affordable housing in Oakland.

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**DISCUSSION/SUMMARY:**

This item first came to the Board's Health Care Committee on January 23, 2017 as part of the discussion regarding the implementation of Measure A1 Housing Bonds. At that time, the Committee members supported moving forward with immediate permanent financing commitments for projects with pending applications to the state for Low Income Housing Tax Credits (LIHTC) with a due date of March 1, 2017 and projects that currently have a commitment of LIHTC that must close their construction financing this spring. The projects that were applying for tax credits on March 1, 2017, were brought to your Board on February 21, 2017. This letter covers the six projects closing construction this spring.

As a result of statements made by President Trump and a bill currently before Congress, reductions in corporate tax rates are expected and the LIHTC market has been suddenly and significantly impacted. Lowered corporate tax rates would result in less tax owed, and therefore less need for the tax credit, dropping the overall value to the corporate investors. Investors who had previously priced LIHTC's at \$1.10 - \$1.20 per credit are now quoting prices at \$0.90 - \$1.00 or below per credit. According to third party industry consultants, the market is therefore 'self-correcting' in anticipation of a corporate tax rate decrease.

The Measure A1 Housing Bond presents an opportunity to close these new funding gaps and allow the impacted developments to move forward. This letter requests your Board's adoption of six funding resolutions that will commit a portion of the base city allocation of bond funding from each of the respective cities portion of the Bond towards projects in which each of the cities have already invested. These Bond funding commitments, and the cities' contributions, will be reviewed and considered under future Bond implementation policies related to city match requirements when those come before your Board for consideration. The chart below represents the six projects which the cities have requested an early funding award from the Community Development Agency's (CDA) Housing and Community Development Department (HCD):

Project	Developer	Jurisdiction	# of Units	Gap Increase	City Funding Commitments
3706 San Pablo Avenue	EAH	Oakland/Emeryville	87	\$1,900,000	\$6,500,000
Eagle Avenue	Alameda Housing Authority	Alameda	20	\$1,000,000	\$3,050,000
San Leandro Senior Mission Court Senior Apartments	Bridge Housing	San Leandro	85	\$1,700,000	\$1,000,000
Coliseum Connections	Eden Housing	Fremont	90	\$3,000,000	\$7,490,000
Redwood Hill Townhomes	UrbanCore Development	Oakland	110	\$2,500,000	\$12,000,000
	SAHA	Oakland	28	\$1,000,000	\$8,051,176
	<b>Total</b>		<b>420</b>	<b>\$11,100,000</b>	<b>\$38,091,176</b>

Additional projects that applied for LIHTC allocations on March 1, 2017 came before your Board for approval on February 21, 2017.

For projects in the chart above, failure to fill the new financing gaps will cause significant delays in development and possibly cause the projects to not be developed at all. Each of these have funding commitments that will expire before June; if construction closing is not met, the LIHTC allocation must be returned to the State. Given this timeframe, a normal Request for Proposals (RFP) process is not possible. All of the cities which have made funding commitments to these projects have committed to utilizing portions of their base city allocations of Housing Bond Rental Housing Development Program funding to fill these new funding gaps and provided signed commitment letters to HCD. In order to meet the needs of the construction lenders, HCD has prepared a "Permanent Financing Resolution" in an "up to and not to exceed" amount for each of the projects in the amounts shown in the above chart.

Once the "Permanent Financing Resolutions" are signed, HCD staff will bring funding contracts to your Board for approval, in the standard process.

**FINANCING:**

All costs related to Measure A1 Bond issuances will be covered by Bond proceeds. There is no Net County Cost as a result of this action.

Very truly yours,



Chris Bazar, Director  
Community Development Agency

cc: Each member, Board of Supervisors  
Susan Muranishi, County Administrator  
Steve Manning, Auditor Controller  
Donna R. Ziegler, County Counsel  
Andrea Weddle, Chief Asst. County Counsel  
Melanie Atendido, County Administrator's Office  
U.B. Singh, CDA Finance Director

**RESOLUTION NO. 2017- 68**

A RESOLUTION AUTHORIZING A PERMANENT FINANCING LOAN TO THE **COLISEUM CONNECTIONS AFFORDABLE RENTAL HOUSING PROJECT** AS MEASURE A1 BOND FUNDS BECOME AVAILABLE IN A TOTAL AMOUNT NOT TO EXCEED \$2,500,000

**WHEREAS**, on November 8, 2016 the voters in the County of Alameda passed the Measure A1 Affordable Housing Bond, which provides for the issuance of up to \$580 million in bonds for affordable housing programs countywide; and

**WHEREAS**, the Board of Supervisors adopted an Affordable Housing Program on June 28, 2016, when the Board acted to place Measure A1 on the Ballot; and

**WHEREAS**, the Measure A1 Program adopted by the Board allows for non-competitive, city-specific funding allocations for rental housing development that are contingent on individual city approval of funds to be used for projects within the city's jurisdiction as well as the city commitment of matching funds to the project in question; and

**WHEREAS**, the Low Income Housing Tax Credits (LIHTC) program is a competitive allocation process and this project competed against projects in Contra Costa, Marin, Sonoma, Napa and Solano Counties and received an allocation from the Tax Credit Allocation Committee; and

**WHEREAS**, as a result of changes in the value of LIHTC due to the proposed reduction in the Federal corporate tax rate, this project now has a gap of \$2,500,000 at this late stage in its development phase; and

**WHEREAS**, failure to close construction financing and begin construction this spring will result in return of the LIHTC to the state and potentially cause this affordable housing project to not be developed at all; and

**WHEREAS**, the City of Oakland has requested that the County provide a Measure A1 permanent financing loan from the City of Oakland's portion of Rental Housing Development Fund for the Coliseum Connections Affordable Housing Project; and

**WHEREAS**, the Coliseum Connections Affordable Housing Project, located in Oakland, California and developed by UrbanCore Development Partners, LLC, will meet the Measure A1 Bond Program requirements by providing affordable rental housing to 110 low income households; and

**WHEREAS**, with a permanent commitment of \$2,500,000 Measure A1 funds, UrbanCore Development Partners, LLC will be able to meet the State's LIHTC deadline to begin construction; and

**WHEREAS**, the City of Oakland has requested the use of up to \$2,500,000 of

Measure A1 Rental Housing Development Program funds allocated to the City of Oakland for the Coliseum Connections Affordable Housing Project and the City of Oakland has committed \$12,000,000 in City funding for the Coliseum Connections Affordable Housing Project;

**NOW, THEREFORE, THE BOARD OF SUPERVISORS HEREBY RESOLVES AS FOLLOWS:**

**Section 1.** The Board of Supervisors hereby authorizes a permanent loan in an amount not to exceed \$2,500,000 to UrbanCore Development Partners, LLC, or to an affiliate entity approved by the Housing Director or her designee, to be used for the Coliseum Connections Affordable Housing Project.

**Section 2.** Loan funds shall be apportioned from the total amount the Board allocates to the City of Oakland under the Measure A1 Rental Housing Development Fund, and shall be contingent upon (a) the issuance of bonds, (b) the City's completion of a Bond Allocation Application submission, (c) the availability of sufficient funds allocated to the City of Oakland within the Measure A1 Rental Housing Development Fund; and (d) such other appropriate terms and conditions as the Housing Director or her designee may establish.

**Section 3.** This loan shall be for a maximum of 55 years, with an interest rate to be determined by the Alameda County Housing Director in her discretion and as established in the Housing and Community Development Department's affordable housing development policies and procedures, published 2016, with repayment to the County from surplus cash flow from the Project and other available funds during the term of the loan in accordance with County housing development policies, with the balance due at the end of the term, or on such other repayment terms and schedule as the Housing Director or her designee determines are in the best interest of the County and the project.

**Section 4.** As a condition of the loan, the County will require that appropriate restrictions on project occupancy, rent levels and operations be recorded against project improvements.

**Section 5.** The loan shall be secured by a deed of trust recorded on the project real property and improvements.

**Section 6.** Loan funds shall be reserved for a period of no more than 24 months from the date of this resolution and shall be subject to reprogramming at the end of this period unless the developer has secured commitments for full project funding or provided other assurances of adequate project funding that the Housing Director or her designee deems sufficient within her discretion, within the reservation period.

**Section 7.** The Board authorizes the Housing Director or her designee to subordinate the priority of any of the County's recorded interests in the project property to a lien or encumbrance of another private or governmental entity providing financial assistance to the project, if the Housing Director or her designee determines that (a) an economically feasible alternative method of financing the project on substantially comparable terms and conditions but

without subordination is not reasonable available, (b) the County's investment in the project in the event of default is reasonably protected, and (c) subordination is in the best interests of the County.

**Section 8.** This Project will return to the Board of Supervisors for authorization of a contract with UrbanCore Development Partners, LLC, or with an affiliate entity approved by the Housing Director or her designee, in an amount not to exceed \$2,500,000 prior to funding the loan.

**Section 9.** The Board authorizes the Housing Director or her designee to determine funding allocation, conduct negotiations, extend this commitment by six months as needed for project viability, execute documents, administer the loans, extend or modify the repayment terms, and take any other action with respect to the loan and the Project consistent with this Resolution and its basic purpose.

The foregoing Resolution was passed and adopted by the Board of Supervisors of Alameda County, State of California on March 7, 2017 by the following vote:

Ayes: Supervisors Carson, Haggerty, Valle & President Chan

Noes: None

Excused: Supervisor Miley




WILMA CHAN  
BOARD PRESIDENT

**ATTEST:**  
ANIKA CAMPBELL-BELTON  
CLERK OF THE BOARD OF SUPERVISORS OF  
COUNTY OF ALAMEDA, STATE OF CALIFORNIA

BY:   
DEPUTY

APPROVED AS TO FORM:  
DONNA R. ZIEGLER, COUNTY COUNSEL

BY:   
Andrea L. Weddle  
Chief Assistant County Counsel

ALAMEDA COUNTY BOARD OF SUPERVISORS  
MINUTE ORDER

The following action was taken by the Alameda County Board of Supervisors on 01/23/2018

Approved as Recommended

Other

Unanimous  Chan:  Haggerty:  Miley:  Valle:  Carson:  -  5

Vote Key: N=No; A=Abstain; X=Excused

Documents accompanying this matter:

Resolution: R-2018-35

Documents to be signed by Agency/Purchasing Agent:

File No. 30089

Item No. 13.1

Copies sent to:

Linda M. Gardner

Special Notes:



I certify that the foregoing is a correct copy of a Minute Order adopted by the Board of Supervisors, Alameda County, State of California.

ATTEST:

Clerk of the Board  
Board of Supervisors

By: \_\_\_\_\_

*R. Bailey*  
Deputy





# ALAMEDA COUNTY COMMUNITY DEVELOPMENT AGENCY

Agenda Item 13.1 January 23, 2018

Chris Bazar  
Agency Director

January 18, 2018

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Honorable Board of Supervisors  
Administration Building  
Oakland, California 94612

Dear Board Members:

**SUBJECT: MEASURE A1 HOUSING BOND – LOAN CONTINGENCY  
LANGUAGE REMOVAL POLICY**

**RECOMMENDATIONS:**

- A. Amend the past action of October 17, 2017 establishing a policy to limit removal of contingencies for commitments of Measure A1 funds (Board of Supervisors agenda item 2) to allow one additional removal of contingencies; and
- B. Adopt a resolution to remove the contingent commitment of the permanent financing resolution for the Coliseum Connections project of up to \$2,500,000 of Measure A1 funds.

**DISCUSSION/SUMMARY:**

On February 21 and March 7, 2017 your Board approved permanent funding commitment resolutions, contingent upon issuing Measure A1 Bonds, for a combined total of eleven rental housing development projects that were far along in the development process and had sudden financing gaps caused by an unanticipated and drastic change in the market for Low Income Housing Tax Credits. The cities in which the eleven projects are located requested early allocations from their Base City Allocations in the Measure A1 Rental Housing Development Fund to assist in filling the resulting permanent financing gaps. These included five projects that needed to close construction financing in order to meet other financing source deadlines, and six projects that were then ready and able to apply for Low Income Housing Tax Credits in the Spring 2017 competitive round (as planned).

The Measure A1 funds were conditionally committed as permanent financing loans where the funds would not be needed until construction was nearing completion, expected at various dates in mid to late 2018, 2019 and 2020 depending on each project's schedule. The commitment made by your Board was contingent upon the issuance of the bonds. The actual Measure A1 funds were not needed until completion of construction, as they would be the permanent financing used to repay the construction loan – the intermediate financing used to fund the construction of the

project. It is common for construction lenders to require binding commitments from all permanent funding sources that will pay back their construction period loans prior to funding the construction of a project. The construction lenders on these projects were concerned that the Measure A1 bonds would not be issued in time for repayment of their construction loans. Therefore, these lenders required a commitment of funds prior to closing and funding the construction loans.

The developers of two of the eleven projects subsequently were able to restructure their financing without the use of a Measure A1 bond permanent loan commitment. Of the remaining nine projects, one (Camino 23) is not scheduled to close its construction financing until spring of 2018, after the first issuance of Measure A1 bonds is planned. As the remaining eight projects worked to close their construction loans, their construction period lenders and investors continued to need non-contingent commitments of Measure A1 funds or alternative guarantees.

Four of these eight remaining projects --Eagle Avenue, Estrella Vista, San Leandro Senior Apartments, and Coliseum Connections --were required to close their project financing by June 30, 2017 or face financial penalties. Eagle Avenue, Estrella Vista and San Leandro Senior Apartments obtained full access to their construction funding by providing their lenders with either a letter of credit or a guarantee of administrative funding to cover the Measure A1 commitment. Should the bonds not be available as needed, each of these developers committed to repaying the construction loan in the amount of the Measure A1 commitment. Thus, no action was needed by the Board to remove the Measure A1 contingency language at that time for these projects. San Leandro Senior, developed by Bridge Housing, will be the first project to reach permanent financing stage and need access to the Measure A1 bond financing this May, 2018.

Coliseum Connections, which has a larger Measure A1 commitment than the other three projects, was unable to close its construction financing by June 30, 2017 due to the developer's inability to provide a construction loan guarantee as the other developers did. After paying penalties for not closing on time, and with an August 30, 2017 deadline to close or lose other project financing, the developer for Coliseum Connections reached agreement with its construction lender to close its construction loans with a disbursement agreement that would only allow disbursement of \$55,000 of the construction loan. The disbursement was limited because of the contingent nature of the County's Measure A1 funding commitment. The remainder of the construction funds would only be released upon issuance of the Measure A1 bonds or removal of the contingent language. At that time, the project's developer believed that its other funding sources, most notably the City of Oakland's \$12 million financing, would be sufficient to keep the project on schedule until the Measure A1 bonds were issued. Upon bond issuance, the construction lender would disburse the remainder of the construction funds and the project could be completed.

On October 17, 2017, your Board approved removal of the Measure A1 contingency language from the remaining four of the initial eleven Base City Allocation-funded projects: Embarc Apartments, Fruitvale BART II-A, Grayson Street, and Kottinger Gardens Phase II. The policy decision behind the contingency removal hinged on the projects' inability to close their construction loans and thereby have sufficient construction financing to keep the projects on

schedule and meet other funding deadlines. None of these projects could close on their construction financing and begin construction using the construction loan funds without the removal of the Measure A1 Bond issuance contingency.

Your Board indicated in its motion to modify these projects' funding commitment resolutions to remove the Measure A1 contingency language that it would not be doing so for any additional Measure A1 projects:

*Approved with an amendment expressing the Board's intent that no similar opportunity occur for other projects and that the \$14.3M allocated to these projects will be the first monies drawn from the Bond proceeds once the Bonds are sold and the allocations will reduce each applicable cities' share of allocated bond funds. (Alameda County. (2017, October 17). Summary Action Minutes.*

Notwithstanding your Board's prior action, the request before you today is to allow for the contingency removal for the Coliseum Connections project. The Coliseum Connections developer submitted a letter on November 2, 2017 to Board members and staff stating that the funds available to the project were not going to be sufficient to keep the project on schedule. In his correspondence, UrbanCore President and Chief Executive Officer Michael Johnson stated that access to its full construction loan would be needed prior to the then-expected February issuance of the Measure A1 Bond. Since the developer could only access the remainder of its construction funding if the Bond contingency was removed from its resolution, the Coliseum Connections project is now in a similar situation as the other four projects in that construction will be stalled and cause damage to the financing of the project. This project cannot continue construction without an amendment to its resolution removing the contingency.

By removing the contingency language for only four projects on October 17, the Board's action allowed those projects that otherwise would not have been able to access their construction funding to stay on schedule. Notwithstanding your Board's prior action to limit removal of the contingency language to only those four projects, it is recommended that an exception be made for the Coliseum Connections project due to its unique and changed circumstances.

Coliseum Connections is factually different from the prior four projects because it closed escrow on its construction financing with its Measure A1 contingency intact. Despite closing the loan, however, it is not able to complete construction because it does not have full access to all of its construction funding. Removing the contingency language will allow this project to continue construction and not face financial repercussions given the contingent nature of the Bond commitment.

#### **FINANCING:**

The Measure A1 funding amounts awarded to all of the early committed projects, including Coliseum Connections, are included in the first Bond issuance, which your Board approved on November 7, 2017 and is planned for early 2018. All costs related to Measure A1 Bond

Board of Supervisors

January 18, 2018

Page 4

issuances will be paid or reimbursed by Bond proceeds. There is no Net County Cost as a result of this action.

Very truly yours,

A handwritten signature in black ink, appearing to read "Chris Bazar". The signature is fluid and cursive, with the first name "Chris" and last name "Bazar" clearly distinguishable.

Chris Bazar, Director  
Community Development Agency

cc: Each member, Board of Supervisors  
Susan Muranishi, County Administrator  
Steve Manning, Auditor Controller  
Donna R. Ziegler, County Counsel  
Andrea Weddle, Chief Assistant County Counsel  
Pat O'Connell, County Administrator's Office  
Stephanie Chan, County Administrator's Office

**RESOLUTION NO. R-2018- 35**

A RESOLUTION AMENDING SECTION 2 OF RESOLUTION NO. R-2017-68 TO REMOVE CERTAIN CONTINGENT TERMS OF THE PERMANENT FINANCING LOAN TO THE COLISEUM CONNECTIONS AFFORDABLE RENTAL HOUSING PROJECT

**WHEREAS**, on February 21 and March 7, 2017 the Board of Supervisors adopted a combined total of eleven funding resolutions for rental housing development projects that were substantially far along in the development process and had sudden financing gaps caused by an unanticipated and drastic change in the market for Low Income Housing Tax Credits; and

**WHEREAS**, each of the eleven funding resolutions included contingencies related to the issuance of the Measure A1 Bonds; and

**WHEREAS**, on March 7, 2017 the Board of Supervisors adopted Resolution No. R-2017-68 to make a commitment of up to \$2,500,000 of Measure A1 Rental Housing Development Program funds for the Coliseum Connections Affordable Housing Project ("Coliseum Connections Project"), including the contingency language described above; and

**WHEREAS**, the City of Oakland has committed \$12,000,000 in City funding to the Coliseum Connections Project; and

**WHEREAS**, the developer of the Coliseum Connections Project projected that the funds from the City of Oakland and other available sources would provide adequate construction funding through the first Measure A1 bond issuance, despite having access to only a small portion of its total construction loan amount; and

**WHEREAS**, on November 2, 2017, the Coliseum Connections Project developer expressed new concerns regarding the contingent terms of the County's Measure A1 bond commitment as its construction lender and tax credit investor indicated they would not make the balance of its construction loan available to the Coliseum Connections Project unless the contingencies of the Measure A1 commitment were removed or the first bond issuance occurred; and

**WHEREAS**, the Coliseum Connections Project developer has now expended all other Coliseum Connections Project funds available to date and cannot continue construction without access to the remainder of its construction financing; and

**WHEREAS**, the Coliseum Connections Project developer now needs to access \$6.3 million from the construction lender and tax credit investor because this funding is needed for an escrow account by January 31, 2018, so the modular units can be constructed and the Coliseum Connections Project can stay on schedule and not be delayed; and

**WHEREAS**, recognizing the importance of providing affordable housing, the Board desires to advance the Coliseum Connections Project by removing the contingency language; and

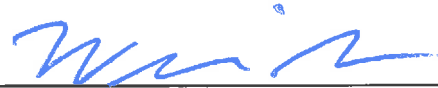
**NOW, THEREFORE, THE BOARD OF SUPERVISORS HEREBY RESOLVES AS FOLLOWS:**

The Board of Supervisors hereby amends Section 2 of Resolution No. R-2017-68 to read as follows:

**Section 2.** Loan funds shall be allocated against the City of Oakland's share of the Measure A1 Rental Housing Development Fund. The City must complete a Bond Allocation Application submission as evidence of its agreement to the use of the City allocation.

The foregoing Resolution was passed and adopted by the Board of Supervisors of Alameda County, State of California on January 23, 2018 by the following vote:

Ayes: Supervisors Carson, Haggerty, Miley, Valle & President Chan  
Noes: None  
Excused: None



\_\_\_\_\_  
Wilma Chan, President  
Board of Supervisors

ATTEST:

ANIKA CAMPBELL-BELTON  
CLERK OF THE BOARD

By: \_\_\_\_\_  
DEPUTY

APPROVED AS TO FORM:

DONNA R. ZIEGLER, COUNTY COUNSEL

By: \_\_\_\_\_  
Heather M. Littlejohn  
Deputy County Counsel

ALAMEDA COUNTY BOARD OF SUPERVISORS  
MINUTE ORDER

The following action was taken by the Alameda County Board of Supervisors on 08/07/2018

Approved as Recommended  Other

Unanimous  Chan:  Haggerty:  Miley:  Valle:  Carson:  -  4

Vote Key: N=No; A=Abstain; X=Excused

Documents accompanying this matter:

Contract: C-16954, C-17036, C-16955, C-16956, C-16970, C-17002, C-16997, C-16996

Documents to be signed by Agency/Purchasing Agent:

File No. 30178

Item No. 39

Copies sent to:

Linda M. Gardner & Auditor

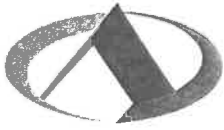
Special Notes:



I certify that the foregoing is a correct copy of a Minute Order adopted by the Board of Supervisors, Alameda County, State of California.

ATTEST:  
Clerk of the Board  
Board of Supervisors

By: R. Bailey  
Deputy



# ALAMEDA COUNTY COMMUNITY DEVELOPMENT AGENCY

Agenda Item 39 August 7, 2018

Chris Bazar  
Agency Director

July 24, 2018

224 West Winton Ave  
Room 110  
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94544-1215

Honorable Board of Supervisors  
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Dear Board Members:

[www.acgov.org/cda](http://www.acgov.org/cda)

**SUBJECT: APPROVE EIGHT CONTRACTS FOR MEASURE A1 BOND  
BASE CITY ALLOCATION FUNDS FOR LOANS FOR  
AFFORDABLE RENTAL HOUSING DEVELOPMENTS**

**RECOMMENDATIONS:**

Approve the following eight procurement contracts, totaling \$24,641,394, to allow expenditure of Measure A1 Bond funds to develop the following eight affordable rental housing developments in Alameda County all for the term, 7/24/18 through 7/10/23:

1. Procurement Contract No. 16954 with Camino 23, L.P. (Principal: Susan Friedland, Location: Berkeley) to develop Camino 23, a 37-unit rental affordable housing project in Oakland, in the amount of \$4,200,000;
2. Procurement Contract No. 17036 with Fruitvale Transit Village II-A, L.P. (Principal: Joshua Simon; Location: Oakland) to develop Casa Arabella, an 94-unit rental affordable housing project in Oakland in the amount of \$6,350,000;
3. Procurement Contract No. 16955 with Coliseum Transit Village One, LP (Principal: Michael Johnson; Location: Oakland) to develop Coliseum Connections, a 110-unit rental mixed income housing project in Oakland in the amount of \$2,500,000;
4. Procurement Contract No. 16956 with Embark Apartments, L.P. (Principal: Daniel Sawislak, Location: Berkeley) to develop Embark Apartments, a 62-unit rental affordable housing project in Oakland in the amount of \$2,700,000;
5. Procurement Contract No. 16970 with 3706 San Pablo Emeryville, L.P. (Principal: Welton Jordan; Location: San Rafael) to develop Estrella Vista, an 87-unit rental affordable housing project in Oakland in the amount of \$1,900,000;
6. Procurement Contract No. 17002 with Grayson Apartments, L.P. (Principal: Susan Friedland; Location: Berkeley) to develop Grayson



Street Apartments, a 23-unit rental affordable housing project in Berkeley in the amount of \$691,394;

7. Procurement Contract No. 16997 with Kottinger Gardens Phase 2 Associates, L.P. (Principal: Matthew Franklin; Location: Foster City) to develop Kottinger Gardens, Phase II, a 54-unit rental affordable housing project in Pleasanton in the amount of \$4,600,000;
8. Procurement Contract No. 16996 with San Leandro Senior Associates, L.P. (Principal: Ann Silverberg; Location: San Francisco) to develop La Vereda, an 85-unit rental affordable housing project in San Leandro in the amount of \$1,700,000.

### **DISCUSSION/SUMMARY:**

On November 7, 2017, your Board adopted Measure A1 Implementation Policies for the Rental Housing Development Programs. The total allocation to this Fund is \$425 million over the course of the Bond program, and includes both \$200 million for four Regional Pools and \$225 million for Base City Allocations per established formulas. All of the Measure A1 Rental Housing funding commitments previously approved by your Board, including the eight projects for which contracts are under consideration today, come from the Base City Allocations of the cities where the projects are located. The Regional Pool funding will be released under a competitive Request for Proposals later this year.

Eight contracts are before your Board for consideration today: Camino 23 in Oakland, Casa Arabella in Oakland, Coliseum Connections in Oakland, Embark Apartments in Oakland, Estrella Vista in Oakland, Grayson Street Apartments in Berkeley, Kottinger Gardens Phase II in Pleasanton, and La Vereda in San Leandro. Your Board viewed some of these projects on your Affordable Housing tour in May. They are all under construction currently. Coliseum Connections and La Vereda are conducting marketing and will be opening in the next few months, followed by the other developments over the coming months. The Measure A1 funds are both permanent and construction financing and will be used to cover costs incurred during the construction period. Your Board's earlier commitment of funds in Spring 2017 allowed the developments to proceed with construction.

On February 21 and March 7, 2017 your Board approved funding resolutions for these projects because they were far along in the development process and had sudden financing gaps caused by an unanticipated and drastic change in the market for Low Income Housing Tax Credits. The cities in which the projects are located requested early allocations from their Base City Allocations in the Measure A1 Rental Housing Development Fund to assist in filling the projects' emergency financing gaps. Housing and Community Development (HCD) staff reviewed the projects' Base City Allocation submissions to verify compliance with Measure A1 policies and waited until after the first tranche of Measure A1 bonds was issued to bring contracts to your Board for approval, as planned. The contracts under consideration are attached as Exhibit A. Exhibit B contains more detailed summaries of each of the eight projects for which contracts are being considered today.

Camino 23 is a 37-unit rental affordable housing project in Oakland. Satellite Affordable Housing Associates (SAHA) is the developer. The project will serve households with income levels at or below 60% of Area Median Income (AMI). The project includes five units for households with HIV/AIDS and 8 units for households with income levels at or below 20% AMI. The City of Oakland is providing \$5,115,400 in city match funds to this project. In addition to the city match and the Measure A1 funds, the project leveraged \$14,815,671 in funding.

Casa Arabella is a 94-unit rental affordable housing project in Oakland. East Bay Asian Local Development Corporation (EBALDC) and the Unity Council are co-developers. The project will serve households with income levels at or below 60% of Area Median Income (AMI). The project includes twenty units for formerly homeless households, twenty units for veteran households and five units for households with income levels at or below 20% AMI. The City of Oakland is providing \$2,347,207 in city match funds to this project. In addition to the city match and the Measure A1 funds, the project leveraged \$51,927,997 in funding.

Coliseum Connections is a 110-unit rental mixed-income housing project in Oakland. UrbanCore is the developer. Fifty-five of the units will be affordable, serving households with income levels at or below 60% AMI. The City of Oakland is providing \$12,000,000 in city match funds to this project. In addition to the city match and the Measure A1 funds, the project leveraged \$38,954,899 in funding.

Embark Apartments is a 62-unit rental affordable housing project for veterans in Oakland. Resources for Community Development (RCD) is the developer. The project will serve households with income levels at or below 60% AMI. The project includes 31 units for formerly homeless veteran households and five units for households with income levels at or below 20% AMI. The City of Oakland is providing \$3,419,285 in city match funds to this project. In addition to the city match and the Measure A1 funds, the project leveraged \$28,667,131 in funding.

Estrella Vista is an 87-unit rental affordable housing project in Oakland. EAH Housing is the developer. The project will serve households with income levels at or below 60% AMI. The project includes six units for disabled households, five units for households with HIV/AIDS, and five units for households with income levels at or below 20% AMI. The City of Oakland is providing \$6,500,000 in city match funds to this project.

Grayson Street Apartments is a 23-unit rental affordable housing project in Berkeley. SAHA Housing is the developer. The project will serve households with income levels at or below 60% AMI. The project includes five units for households with HIV/AIDS, and five units for households with income levels at or below 20% AMI. The City of Berkeley is providing \$2,712,476 in city match funds to this project. In addition to the city match funds and the Measure A1 funds, the project leveraged \$15,154,836 in funding.

Kottinger Gardens, Phase II is a 54-unit rental affordable housing project for seniors in Pleasanton. MidPen Housing is the developer. The project will serve senior households with income levels at or below 60% AMI. The project includes five units for households with income levels at or below 20% AMI. The City of Pleasanton is providing \$5,383,360 in city match to this project. In addition to the city match funds and the Measure A1 funds, the project leveraged \$18,041,796 in funding.

La Vereda is an 85-unit rental affordable housing project for seniors in San Leandro. Bridge Housing is the developer. The project will serve senior households with income levels at or below 50% AMI. The City of San Leandro is providing \$1,032,775 in city match to this project. In addition to the city match funds and the Measure A1 funds, the project leveraged \$36,109,747 in funding.

**SELECTION CRITERIA AND PROCESS:**

*Per the Implementation Policies adopted by your Board on November 7, 2017, cities use their own selection processes to choose projects to submit for Base City Allocation funding. HCD's role at this stage is to ensure that the projects and each city's total Base Allocation meet Measure A1 requirements.*

*The contracts before your Board today are construction contracts and are not subject to the Small, Local and Emerging Business (SLEB) requirements. However, your Board required Prevailing Wage requirements for all Measure A1 funded projects when it placed the Affordable Housing General Obligation Bond on the ballot in June 2016. Those requirements were in place when your Board made funding commitments to these projects in the spring of 2017. HCD is monitoring these projects, which are in construction now, for prevailing wages.*

*Subsequently, your Board authorized additional Wage, Workforce and Contracting policies for Measure A1 on November 7, 2017 (Item 14.2). The Policy adopted by your Board stated that projects that received early commitments of Measure A1 Base City Allocation financing in spring 2017, including the projects that are outlined in this letter, were not subject to new or conflicting provisions in the policies.*

*The additional requirements will apply to those Measure A1 projects with funding commitments after November 7, 2017. Wage, Workforce and Contracting Policies for Measure A1-financed Rental Development Affordable Housing Projects are: 1) payment of State prevailing wages; 2) 30% Local Hire and 5% Disadvantaged Hire as a percentage of all construction hours worked on the Project; 3) 25% Local Business contracting and 20% Small Local Business Contracting as a percentage of the Measure A1 contract award from HCD; and 4) reporting on federal Housing and Urban Development (HUD) Section 3 and HUD MBE/WBE (Minority-Owned and Woman-Owned Businesses). Additionally, projects with 80 or more units must have a Project Labor Agreement, which the County will not be party to. HCD is establishing monitoring protocols for the additional Wage, Workforce and Contracting policies for those projects which will start construction this fall and winter.*

**FINANCING:**

Department ID 260351 was created for the Measure A1 Rental Housing Development Program. The funding for these contracts (\$24,641,394) was included in the first issuance of Measure A1 Bonds. The Rental Housing Development Program has a projected total allocation of \$425 million from the \$580 million Bond. There is no increase in Net County Cost as a result of this action.

Very truly yours,



Chris Bazar, Director  
Community Development Agency

cc: Susan Muranishi, County Administrator  
Steve Manning, Auditor-Controller  
Donna Ziegler, County Counsel  
Melanie Atendido, County Administrator's Office  
Heather Littlejohn, Office of the County Counsel  
Sandra Rivera, Community Development Agency

**EXHIBIT B  
PROJECT SUMMARIES**

<b>PROJECT NAME:</b>	<b>CAMINO 23</b>
<b>Project City:</b>	<b>City of Oakland</b>
<b>Project Developer:</b>	Satellite Affordable Housing Associates (SAHA)
<b>Project Address:</b>	1233-1253 23 <sup>rd</sup> Avenue, Oakland, CA 94606
<b>Total Project Units:</b>	37 (36 affordable and 1 resident manager's unit)
<b>Income Levels:</b>	Five units serving households at or below 20% of Area Median Income
<b>% Units at or below 20% Area Median Income:</b>	5 units; 14% of total
<b>Unit Mix:</b>	30 one-bedroom; 6 two-bedroom, 1 three-bedroom
<b>Measure A1 Target Population(s):</b>	People with HIV/AIDS (5 units); homeless (5 units)
<b>Total Development Cost:</b>	\$25,912,666; \$700,000 per unit
<b>Measure A1 Funding:</b>	\$4,200,000 in City of Berkeley Base City Allocation Funding (16% of TDC)
<b>Number of A1 Units:</b>	33 units
<b>City Match:</b>	\$5,115,400

**Project Summary:** Camino 23 will develop an underutilized corner lot in a busy mixed-use neighborhood. The project will provide 37 one- and two-bedroom apartments with approximately 6000 sq ft of common spaces, property management and services offices and open spaces for residents to enjoy. The apartments will be available to households with incomes at or below 50% AMI, including five units that will be set-aside for households with HIV/AIDS and five units that will be set-aside for formerly homeless households with incomes at or below 20% of the Area Median Income (AMI), with wrap around individualized services provided on-site by Lifelong Medical Care. The developer has received 26 43 Section 8 Project Based Vouchers through the Oakland Housing Authority.

The development has received its planning and environmental approvals. Development financing includes the following sources: Measure A1, permanent loan debt, City of Oakland housing funds, HOPWA funds, Federal Home Loan Bank Infill Infrastructure Grant (IIG), State of California 4% credits, and State of California Affordable Housing and Sustainable Communities funding.

Construction will begin in June, 2018 and is anticipated to be completed by April, 2019.

<b>PROJECT NAME:</b>	<b>CASA ARABELLA</b>
<b>Project City:</b>	<b>City of Oakland</b>
<b>Project Developer:</b>	EBALDC
<b>Project Address:</b>	East 12 <sup>th</sup> Street and 38 <sup>th</sup> Avenue, Oakland
<b>Total Project Units:</b>	94 (92 affordable, 1 market rate unit, and 1 resident manager's unit)
<b>Income Levels:</b>	100% affordable development serving families at or below 20%-60% of Area Median Income
<b>% Units at or below 20% Area Median Income:</b>	5 units (42% of total)
<b>Unit Mix:</b>	24 one-bedroom; 47 two-bedroom; 23 three-bedroom
<b>Measure A1 Target Population(s):</b>	Homeless veterans (20 units)
<b>Total Development Cost:</b>	\$57,937,620; \$616,358 per unit
<b>Measure A1 Funding:</b>	\$6,350,000 in City of Alameda Base City Allocation Funding; (11% of TDC)
<b>Number of A1 Units:</b>	46 units
<b>City Match:</b>	\$2,347,207

Casa Arabella (Fruitvale Transit Village Phase II-A) is the second phase of a three-phase development located near the Fruitvale BART Station in Oakland. Phase I (existing) is a three-story complex with residential, retail and commercial uses. Phase II-B will be a 181-unit market-rate project. Casa Arabella is a 94-unit family development, and will provide affordable one-, two-, and three-bedroom units to families earning between 20% and 60% of the Area Median Income, with one manager's unit and one market-rate unit. The development will offer 24 one-bedroom units, 47 two-bedroom units and 23 three-bedroom units. Twenty units will be set aside with a project-based VASH vouchers for housing homeless veterans in need of permanent residential housing.

Development financing includes the following sources: Measure A1 funding, permanent loan debt, City of Oakland housing funds, City of Oakland land donation, State of California Transit Oriented Development loan and grant, a direct subsidy grant through the Federal Home Loan Bank of San Francisco Affordable Housing Program, State of California 4% credits, and general partner equity.

Construction began in December, 2018 and is anticipated to be completed by December, 2019.

<b>PROJECT NAME:</b>	<b>COLISEUM CONNECTIONS</b>
<b>Project City:</b>	<b>City of Oakland</b>
<b>Project Developer:</b>	UrbanCore Development
<b>Project Address:</b>	70 <sup>th</sup> and Snell Streets, Oakland
<b>Total Project Units:</b>	110 (55 affordable and 55 market rate)
<b>Income Levels:</b>	The 55 affordable units will serve households at or below 20%-60% of Area Median Income
<b>% Units at or below 20% Area Median Income:</b>	0 units (0% of total)
<b>Unit Mix:</b>	65 one-bedroom; 45 two-bedroom
<b>Measure A1 Target Population(s):</b>	none
<b>Total Development Cost:</b>	\$53,454,899; \$486,000 per unit
<b>Measure A1 Funding:</b>	\$2,500,000 in City of Oakland Base City Allocation Funding; (4.7% of TDC)
<b>Number of A1 Units:</b>	22 units
<b>City Match:</b>	\$12,000,000

UrbanCore Development along with the City of Oakland have collaborated on the creation of an innovative housing and transportation project that includes a 110-unit mixed income residential project adjacent to the Coliseum BART station. Coliseum Connections will provide 55 units of restricted affordable housing, and have 55 units available for market-rate 'workforce' housing. This project was designed to accommodate the growing number of working class families currently being displaced from Oakland. The 55 restricted 'affordable' units will be leased to families within 50-60% of the AMI. Furthermore, the 55 'workforce' housing units will be affordable to families within 80-120% of the AMI. The site is currently utilized as a surface parking for BART patrons and is located within the Coliseum Area Specific Plan area.

The project consists of a 5-story building fronting the BART tracks at western edge of site (Building A) accommodating 65 one and two bedroom flats, and 45 two-story townhome units on the eastern portion of the site, grouped in three separate buildings. The project is designed to allow for modular construction as a means of reducing the construction schedule.

Development financing includes the following sources: Measure A1, City of Oakland loan, State of California Affordable Housing and Sustainable Communities loan, State of California 4% credits, and permanent loan debt.

Construction began in May, 2018 and is anticipated to be completed by August, 2018.

<b>PROJECT NAME:</b>	<b>EVERETT &amp; EAGLE FAMILY HOUSING</b>
<b>Project City:</b>	<b>City of Alameda</b>
<b>Project Developer:</b>	Alameda Housing Authority
<b>Project Address:</b>	2437 Eagle Avenue, Alameda
<b>Total Project Units:</b>	20 total (19 affordable; 1 resident manager unit)
<b>Income Levels:</b>	100% affordable development serving households at or below 20%-60% of Area Median Income
<b>% Units at or below 20% Area Median Income:</b>	2 units (10% of total)
<b>Unit Mix:</b>	4 one-bedroom; 8 two-bedroom; 7 three-bedroom
<b>Measure A1 Target Population(s):</b>	None
<b>Total Development Cost:</b>	\$18,809,450; \$940,000 per unit
<b>Measure A1 Funding:</b>	\$1,000,000 in City of Alameda Base City Allocation Funding (5.3% of TDC)
<b>Number of A1 Units:</b>	Not yet determined
<b>City Match:</b>	\$4,549,082

Everett & Eagle is a 20-unit, new construction permanent rental housing development for families in the City of Alameda. Alameda Housing Authority (AHA) purchased the 0.83-acre vacant site, as a future affordable housing site, from the Alameda Unified School District in February 2015. The project will include construction of three two-story and three-story buildings consisting of flats and townhouses, in scale with the surrounding neighborhood. The units consist of four one-bedrooms, 11 two-bedrooms, and five three-bedroom units. AHA proposes to serve family households with incomes ranging from 20% to 60% of the Alameda County Area Median Income (AMI). There will be one two-bedroom resident manager's unit. On-site amenities will include a community room, centralized laundry, outdoor play area, on-site offices for the resident manager and resident services coordinator, parking, and bike storage.

The Housing Authority has entered into an MOU with Life Skills Training and Education Programs, Inc (LifeSTEPS). LifeSTEPS has been providing social services since 1996 to low-income families and seniors living in affordable housing properties. All social services will be provided on-site at no charge to residents. LifeSTEPS will be paid \$18,000 for no less to provide all 19 households. Services will include assisting residents to access services through referral and advocacy, coordinating community building activities such as holiday events, tenant council coordination and educational classes about health, wellness, financial literacy, computers, GED, ESL, resume building, and parenting etc. In addition, a case manager will be available for 10 hours/week (.25 FTE) for the five VASH voucher holders to receive additional case management services including the development and implementation of independent living plans. LifeSTEPS will receive \$23,800 annually for these services.

Development financing includes the following sources: Measure A1, Housing Authority loan, land donation, City of Alameda HOME loan, a permanent loan, and limited partner equity.

Construction began in October, 2017 and is anticipated to be completed by November, 2018.



<b>PROJECT NAME:</b>	<b>EMBARK APARTMENTS</b>
<b>Project City:</b>	<b>City of Oakland</b>
<b>Project Developer:</b>	Resources for Community Development
<b>Project Address:</b>	2126 Martin Luther King Junior Way, Oakland, CA 94612
<b>Total Project Units:</b>	62 total (61 affordable; 1 resident manager unit)
<b>Income Levels:</b>	100% affordable development serving households at or below 20%-60% of Area Median Income
<b>% Units at or below 20% Area Median Income:</b>	5 units (8% of total)
<b>Unit Mix:</b>	1 studio; 58 one-bedroom; 4 two-bedroom
<b>Measure A1 Target Population(s):</b>	Veterans (62 units); Homeless veterans (31 units)
<b>Total Development Cost:</b>	\$34,886,417; \$562,684 per unit
<b>Measure A1 Funding:</b>	\$2,700,000 in City of Oakland Base City Allocation Funding (7.7% of TDC)
<b>Number of A1 Units:</b>	30 units
<b>City Match:</b>	\$3,419,285

Embark Apartments consists of 62 units of affordable and supportive housing for veterans and special needs homeless veterans. The ground floor will include a manager's office, two services offices, two property management offices, a gym, a bicycle parking room, a janitor and maintenance room, a parking garage, and either a community room or commercial space. The parking garage includes a total of 31 parking spaces. The six-story structure will include a protected podium courtyard and a community room with a kitchen next to the rooftop sky deck with views of downtown Oakland and the San Francisco Bay.

On-site supportive services will be provided by Abode Services and the Veterans Administration and will include housing retention services, case management, benefits advocacy and income support assistance, money management, nutritional counseling, community building and assistance in obtaining other relevant resources.

Development financing includes the following sources: Measure A1, State of California VHHP Program, State of California Affordable Housing Program, Section 8 vouchers, a permanent loan, and limited partner equity.

Construction began in May, 2018 and is anticipated to be completed by January, 2019.

<b>PROJECT NAME:</b>	<b>ESTRELLA VISTA</b>
<b>Project City:</b>	<b>City of Oakland</b>
<b>Project Developer:</b>	EAH Housing
<b>Project Address:</b>	3706 San Pablo Avenue, Emeryville
<b>Total Project Units:</b>	87 total (86 affordable; 1 resident manager unit)
<b>Income Levels:</b>	100% affordable development serving households at or below 20%-60% of Area Median Income
<b>% Units at or below 20% Area Median Income:</b>	5 units (5% of total)
<b>Unit Mix:</b>	4 studio; 8 one-bedroom; 45 two-bedroom; 23 three-bedroom; 7 four-bedroom
<b>Measure A1 Target Population(s):</b>	Disabled (6 units); HIV/AIDS (5 units)
<b>Total Development Cost:</b>	\$60,867,730 (residential portion); \$699,629 per unit
<b>Measure A1 Funding:</b>	\$1,900,000 in City of Oakland Base City Allocation Funding (3.1% of TDC)
<b>Number of A1 Units:</b>	13 units
<b>City Match:</b>	\$6,500,000

Estrella Vista will be developed on an infill lot in a busy mixed use neighborhood, with great access to transit. The 86 affordable units will serve families with incomes between 20% and 60% of the Area Median Income (AMI), plus one manager's unit. Five units will serve households living with AIDS or HIV-related illness, and six units will be reserved for individuals with a disability. There will be 6,184 square feet of ground floor retail space. A four-story wood-framed residential structure will be built on top of a podium garage with 108 parking spaces and 84 apartment flats. Three additional townhouses are located below the podium to face West MacArthur Boulevard. Sixty-three percent of the project site acreage is located in the City of Emeryville and 37% in the City of Oakland, with 80% of the proposed building print in Emeryville. To efficiently manage the project approvals, the cities have entered into Memorandum of Agreement that confers all the land use approvals and building permit issuance to Emeryville.

The residential units will be arranged around the perimeter of the podium creating a central grand courtyard which will have active and passive children's play equipment, landscaping and outdoor seating. The top story will feature a sky deck with views to the Oakland skyline and Bay. Other on-site amenities include a large community room with kitchen, fitness/wellness room, services office, and secure bike storage.

Development financing includes the following sources: Measure A1, Alameda County HOPWA, Alameda County HOME, Alameda County CDBG, City of Emeryville land donation, City of Emeryville loan, City of Oakland loan, Federal Home Loan Bank of San Francisco Affordable Housing Program Loan, State of California 4% tax credits, State of California Affordable Housing and Sustainable Communities funds, State of California Infill Infrastructure Grant funds, State of California VHHP Program, State of California Affordable Housing Program, a permanent loan, and limited partner equity.

Construction began in June, 2017 and is anticipated to be completed by April, 2019.

<b>PROJECT NAME:</b>	<b>GRAYSON STREET APARTMENTS</b>
<b>Project City:</b>	<b>City of Berkeley</b>
<b>Project Developer:</b>	Satellite Affordable Housing Associates (SAHA)
<b>Project Address:</b>	2748 San Pablo Avenue, Berkeley
<b>Total Project Units:</b>	23 total (22 affordable; 1 resident manager unit)
<b>Income Levels:</b>	100% affordable development serving households at or below 20%-50% of Area Median Income
<b>% Units at or below 20% Area Median Income:</b>	5 units (21% of total)
<b>Unit Mix:</b>	20 one-bedroom; 3 two-bedroom
<b>Measure A1 Target Population(s):</b>	Disabled (17 units); HIV/AIDS (5 units)
<b>Total Development Cost:</b>	\$18,558,312; \$806,883 per unit
<b>Measure A1 Funding:</b>	\$691,394 in City of Oakland Base City Allocation Funding (3.7% of TDC)
<b>Number of A1 Units:</b>	5 units
<b>City Match:</b>	\$2,712,476

Grayson Street Apartments will be a new construction development consisting of 23 units. SAHA will develop the project and will own and manage the residential portion of the building. The current owner will retain the option to purchase the retail/commercial space (which will be subdivided) post-completion. The completed project will consist of a single four-story building with an elevator. The project will also have approximately 2,064 square feet of ground floor commercial space.

Other amenities include a residential lobby, ground floor commercial space consisting of a Pilates studio and wellness center. Residential apartments will be housed above with shared amenities such as a community room, computer annex, services office and a patio open space to be located on the second floor. Some of the units may also have private terraces. A shared parking garage will house twenty-three parking spaces for residents and four spaces for commercial use.

Development financing includes the following sources: Measure A1, Alameda County HOPWA, City of Berkeley Housing Trust Fund, Department of Justice loan, Federal Home Loan Bank of San Francisco Affordable Housing Program Loan, Prop C Infill Grant, State of California Multifamily Housing Program funds, State of California Affordable Housing and Sustainable Communities funds, California Community Reinvestment Corporation TE permanent bonds, a permanent loan, and limited partner equity.

Construction began in September, 2017 and is anticipated to be completed by September, 2018.

<b>PROJECT NAME:</b>	<b>KOTTINGER GARDENS, PHASE II</b>
<b>Project City:</b>	<b>City of Pleasanton</b>
<b>Project Developer:</b>	MidPen Housing
<b>Project Address:</b>	251 Kottinger Drive, Pleasanton, CA 94566
<b>Total Project Units:</b>	54 total (53 affordable; 1 resident manager unit)
<b>Income Levels:</b>	100% affordable development serving senior households at or below 20%-60% of Area Median Income
<b>% Units at or below 20% Area Median Income:</b>	5 units (9% of total)
<b>Unit Mix:</b>	50 one-bedroom; 4 two-bedroom
<b>Measure A1 Target Population(s):</b>	Senior (54 units)
<b>Total Development Cost:</b>	\$30,480,621; \$564,456 per unit
<b>Measure A1 Funding:</b>	\$4,600,000 in City of Pleasanton Base City Allocation Funding (15.1% of TDC)
<b>Number of A1 Units:</b>	20 units
<b>City Match:</b>	\$5,383,360

Kottinger Gardens, Phase II is a new construction development on a 1.99-acre site that had forty (40) units of senior housing that experienced long-term maintenance challenges and lacked accessibility for residents, resulting in the City of Pleasanton City Council voting to approve a plan to demolish the units and replace them with this 54-unit project. Kottinger Gardens Phase I was recently completed across the street from Kottinger Gardens Phase 2. To minimize the requirement for off-site relocation, the existing Pleasanton Gardens households have been relocated to Kottinger Gardens, Phase I.

The project includes one two-story apartment building and five single-story buildings ranging in size from 1,200 to 5,300 square feet. All units have full kitchen and bath, private covered porches or balconies, and view of the surrounding gardens. Shared indoor amenities include community rooms for resident gatherings, a resident lounge with computers, arts and crafts studio, laundry, and on-site resident services. Outdoor amenities include community gardens with plots for resident use, an outdoor patio with seating, and landscaping.

Development financing includes the following sources: Measure A1, City of Pleasanton Lower-Income Housing Fund, City of Pleasanton ground lease value, permanent loans, and limited partner equity.

Construction began in May, 2018 and is anticipated to be completed by April, 2019.

<b>PROJECT NAME:</b>	<b>LA VEREDA (SAN LEANDRO SENIOR APARTMENTS)</b>
<b>Project City:</b>	<b>City of San Leandro</b>
<b>Project Developer:</b>	Bridge Housing
<b>Project Address:</b>	528 W. Juana Avenue, San Leandro
<b>Total Project Units:</b>	85 total (84 affordable; 1 resident manager unit)
<b>Income Levels:</b>	100% affordable development serving senior households at or below 20%-50% of Area Median Income
<b>% Units at or below 20% Area Median Income:</b>	0 units (0% of total)
<b>Unit Mix:</b>	50 one-bedroom; 4 two-bedroom
<b>Measure A1 Target Population(s):</b>	Senior (85 units)
<b>Total Development Cost:</b>	\$38,842,521; \$456,970 per unit
<b>Measure A1 Funding:</b>	\$1,700,000 in City of San Leandro Base City Allocation Funding (4.38% of TDC)
<b>Number of A1 Units:</b>	20 units
<b>City Match:</b>	\$1,032,775

La Vereda is the second phase of a two-phase development located at 1400 San Leandro Boulevard and 528 West Juana Avenue: Marea Alta Apartments (Phase I) is a 115-unit family development and La Vereda (Phase II) is an 85-unit senior development. The four-story building will contain over 16,000 square feet of common and amenity spaces, and the total gross area will be 75,362 square feet, including 37 parking spaces.

Building amenities will include a ground floor community banquet room with an adjoining community kitchen, and an exterior courtyard. The banquet room will serve the community with a range of uses including resident meetings, private resident occasions, and sponsored events by the onsite service coordinator. The community room will open out onto a centrally landscaped courtyard, with a thoughtfully landscaped garden walking path leading to the nearby pedestrian paseo at the north end of the property.

Episcopal Senior Communities (ESC) will provide on-site aging services and programming. ESC will act as a service coordinator. ESC will monitor resident well-being and identify frail and at-risk residents; provide education on resources and services, and advocacy as needed; develop case plans for residents; assisting residents with development of informal support networks; and connect residents with resources and agencies in the community. There will be a minimum of 15 hours a week of on-site service co-ordination, and at least 60 hours per year of onsite classes for residents, covering health, fitness, nutrition, and other senior health topics.

Development financing includes the following sources: Measure A1, Alameda County Boomerang funds, Alameda County HOME funds, City of San Leandro funds, BART land donation, Federal Home Loan Bank of San Francisco Affordable Housing Program Loan, California Affordable Housing and Sustainable Communities funds, State of California Infill Infrastructure Grant and Transit Oriented Development funds, a permanent loan, and limited partner equity.

Construction began in July, 2017 and is anticipated to be completed by June, 2018.

**CONTRACT FOR THE USE OF MEASURE A1 AFFORDABLE  
HOUSING BOND FUNDS BETWEEN  
COLISEUM TRANSIT VILLAGE ONE, LP AND THE COUNTY OF ALAMEDA**

THIS Contract is made and entered into this 24th day of July, 2018 by and between the COUNTY of ALAMEDA, referred to as "COUNTY" and COLISEUM TRANSIT VILLAGE ONE, LP, referred to as "CONTRACTOR".

WITNESSETH:

WHEREAS, COUNTY desires to contract with CONTRACTOR regarding the development of affordable housing in Alameda County, as set forth in more detail in Exhibit A, attached hereto; and

WHEREAS, on November 8, 2016, the voters in Alameda County passed the Measure A1 Affordable Housing Bond (the "Ballot Measure"), which provides for the issuance of bonds for affordable housing programs countywide (the "A1 Bonds"); and

WHEREAS, consistent with Article 13A, Section 1 of the California Constitution, proceeds from the A1 Bonds ("A1 Bond Funds") may only be used for the acquisition or improvement of real property; and

WHEREAS the COUNTY's Housing and Community Development Department ("HCD") is implementing the Rental Housing Programs of the A1 Bonds and on November 7, 2017, the COUNTY Board of Supervisors adopted Implementation Policies to govern the Rental Housing Programs of the A1 Bonds (the "Implementation Policies"); and

WHEREAS, consistent with the terms of the Ballot Measure and the Implementation Policies, the A1 Bond Funds may only be used to provide affordable local housing and to prevent displacement of vulnerable populations; and

WHEREAS, CONTRACTOR desires to construct a mixed-use affordable and market rate housing development, including one hundred ten (110) units of housing (including fifty-five (55) units of housing affordable for rental to very low and low income households and fifty-four (54) units of market rate rental housing, and one (1) manager's unit), plus approximately one thousand two hundred (1,200) square feet of commercial space, and approximately eighty-six (86) parking spaces in the residential garage, on certain real property located at 805 71st Avenue in the City of Oakland, County of Alameda (the "Project"); and

WHEREAS, on March 7, 2017, by Resolution Number 2017-68, COUNTY approved an allocation of A1 Bond Funds to provide financing for the Project in an amount of up to Two Million Five Hundred Thousand Dollars (\$2,500,000) to further the purposes of the A1 Bonds (the "A1 Bond Loan"); and

C-16955

WHEREAS, pursuant to Resolution 2017-71, adopted by the COUNTY on March 7, 2017, the COUNTY authorized the reimbursement of certain eligible costs with the A1 Bond Funds; and

WHEREAS, COUNTY and CONTRACTOR have entered or will enter into Loan Documents (defined in Exhibit A below) governing the use of the A1 Bond Loan proceeds for the Project; and

WHEREAS, CONTRACTOR is willing and able to develop the Project which has been determined by the COUNTY to be necessary or appropriate for the welfare of residents of the COUNTY; and

WHEREAS, COUNTY desires that CONTRACTOR develop the Project, and CONTRACTOR agrees to develop the Project, as more particularly set forth below:

NOW, THEREFORE, IT IS HEREBY MUTUALLY AGREED as follows:

1. Attached as Exhibit A, and by this reference made a part of this Contract, is a description of the Project, and CONTRACTOR agrees to develop the Project in compliance with all provisions set forth in Exhibit A.
2. COUNTY has allocated a total of up to Two Million Five Hundred Thousand Dollars (\$2,500,000) of A1 Bond Funds to be expended under this Contract. Terms and conditions for payment and disbursement are attached in Exhibit B, by this reference made a part of this Contract, and CONTRACTOR agrees to seek payment and disbursement in compliance with all provisions set forth in Exhibit B.
3. The term of this Contract begins on July 24, 2018 and ends on July 10, 2023 or when all Contract terms have been completed, whichever occurs first. CONTRACTOR shall meet the timelines for the specific tasks designated in Section 5 of Exhibit A, provided that the Housing Director or her designee shall have the authority to amend such timelines as may be reasonably necessary, without further action or authority by the legislative body of the COUNTY.
4. CONTRACTOR shall maintain on a current basis full, complete and appropriate books, records and accounts relating to the Project, including all such books, records, invoices, receipts, and accounts necessary or prudent to evidence and substantiate in full detail CONTRACTOR's use of the A1 Bond Loan funds and CONTRACTOR's compliance with the terms, provisions, covenants and conditions of this Contract, to assure proper accounting of funds and performance of this Contract in accordance with instructions provided and to be provided by COUNTY. CONTRACTOR shall comply with all such instructions.

Supervisors, officers, employees and agents (collectively "Indemnitees") from and against any and all claims, losses, damages, liabilities or expenses, including reasonable attorney fees, incurred in the defense thereof which arise out of or are in any way connected with this Contract and the acts and omissions of CONTRACTOR and any subcontractors and persons either directly or indirectly employed by them (collectively "Liabilities"), except where such Liabilities are proximately caused solely by the negligence or willful misconduct of any Indemnitee. The provisions of this section survive the termination of this Contract and are not limited by the provisions relating to insurance set forth in this Contract.

6. COUNTY, with prior written notice of 14 calendar days to CONTRACTOR, may at any time during the term of this Contract conduct an evaluation of the CONTRACTOR's performance with respect to this Contract. CONTRACTOR shall maintain and retain records with respect to such evaluations, and shall cooperate with COUNTY in making these or any other evaluation reports; CONTRACTOR shall permit access by COUNTY to the site of the Project, shall furnish all information requested by COUNTY, and shall afford COUNTY access to all such records of CONTRACTOR.
7. CONTRACTOR shall be as fully responsible to COUNTY for the acts and omissions of any subcontractors, and of persons either directly or indirectly employed by them, as CONTRACTOR is for the acts and omissions of persons directly employed by CONTRACTOR. CONTRACTOR may transfer its interest in this Contract (whether by assignment or novation) only with prior written approval of COUNTY. No party shall, on the basis of this Contract, in any way contract on behalf of, or in the name of, the other party to the Contract, and any attempted violation of the provisions of this sentence shall confer no rights, and shall be void.
8. Neither the CONTRACTOR nor any of its employees shall by virtue of this Contract be an employee of COUNTY for any purpose whatsoever, nor shall it or they be entitled to any of the rights, privileges, or benefits of COUNTY employees. CONTRACTOR shall be deemed at all times an independent contractor and shall be wholly responsible for the manner in which it undertakes the development of the Project as required by the terms of this Contract. CONTRACTOR assumes exclusively the responsibility for the acts of its employees as they relate to the services to be provided during the course and scope of their employment related to the development of the Project.
9. CONTRACTOR agrees to maintain the confidentiality of any information which may be obtained in the course of the development of the Project. COUNTY shall respect the confidentiality of information furnished by CONTRACTOR to COUNTY, consistent with the California Public Records Act and other applicable law.
10. CONTRACTOR shall comply with all applicable laws, ordinances, and codes of Federal, State and local governments, in performing any of the work embraced by this Contract.



11. CONTRACTOR agrees to comply with all requirements which are now, or which may hereafter be, imposed by the COUNTY that are consistent with this Contract and applicable laws and regulations. CONTRACTOR agrees that it will not use funds received pursuant to this Contract, either directly or indirectly, as a contribution in order to obtain any Federal funds under any Federal programs without prior written approval of COUNTY. Further, CONTRACTOR agrees that upon the return of any funds granted, loaned, or otherwise distributed by the CONTRACTOR that COUNTY paid to CONTRACTOR under this Contract, or the receipt of any funds by the CONTRACTOR as a direct result of any funds granted, loaned or otherwise distributed by the CONTRACTOR that COUNTY paid to CONTRACTOR under this Contract, CONTRACTOR shall return the funds to COUNTY, unless COUNTY otherwise directs in writing.
12. CONTRACTOR agrees that it will comply with the (i) the Unruh Act, (ii) the California Fair Employment and Housing Act, (iii) the United States Fair Housing Act, as amended, (iv) the Americans With Disabilities Act of 1990, and (v) Title VII of the Civil Rights Act of 1964 as amended, and that no person in the United States shall, on the grounds of race, creed, color, disability, sex, sexual orientation, ancestry, national origin, age, religion, Vietnam era veteran's status, political affiliation, marital status, family status, source of income, HIV/AIDS, or any other arbitrary basis be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available by COUNTY pursuant to this Contract.
13. CONTRACTOR shall not, during the term of this Contract, without obtaining the prior written consent of COUNTY, permit any member of the governing board of the CONTRACTOR to perform for compensation any administrative or operational functions for the CONTRACTOR with respect to the performance of this Contract (including, but not by way of limitation, fiscal, accounting, or bookkeeping functions).
14. COUNTY and CONTRACTOR agree to abide by the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards stated in 2 Code of Federal Regulations (CFR) Part 200.
15. In conjunction with performance of this Contract, CONTRACTOR has been made cognizant of and will comply with, all applicable affirmative action, Equal Employment Opportunity Practices Provisions and equal opportunity guidelines and requirements of the federal, state or local government. CONTRACTOR will use its best efforts to utilize minority and female enterprises and ensure that minority and female-owned enterprises have equal opportunity to compete for subcontractor work under this Contract. CONTRACTOR shall maintain records documenting data on the race, ethnicity, and single-headed household status (by gender of household head) of households applying for or benefiting from COUNTY-funded activities, on actions taken to affirmatively further fair housing, and on outreach to minority and female enterprises, including data indicating

the racial/ethnic or gender character of each business receiving a subcontract of \$25,000 or more paid with COUNTY funds. CONTRACTOR shall also document which households fall under any of the following categories: homeless household; chronically homeless household; homeless household where the head of household or member is a person with disabilities; senior household; veteran household; household where the head or a member is a person with disabilities, including physical and developmental disabilities and mental illness; household where the head of household or a member is re-entering the housing market from jail or another institutional setting; and household where the head of household is a transition-age youth aging out of foster care.

16. CONTRACTOR and CONTRACTOR's employees shall comply with the COUNTY's policy of maintaining a drug-free work place. Neither CONTRACTOR nor CONTRACTOR's employees shall unlawfully manufacture, distribute, dispense, possess or use controlled substances, as defined in 21 U.S. Code Section 812, including marijuana, heroin, cocaine, and amphetamines, at any COUNTY facility or COUNTY-funded work site. If CONTRACTOR or any employee of CONTRACTOR is convicted or pleads nolo contendere to a criminal drug statute violation occurring at the site of the Project, the CONTRACTOR within five days thereafter shall notify the Housing Director. Violation of this provision shall constitute a material breach of this Contract.
17. Time is of the essence in each and all provisions of this Contract.
18. CONTRACTOR shall maintain, at all times during the term of this Contract, the insurance and bonding documentation described in the Loan Documents (defined below) and Exhibit C to this Contract, which by this reference is made a part of this CONTRACT, and shall comply with all other requirements set forth in that Exhibit. CONTRACTOR shall also secure (through fencing, secure doors, security services or otherwise) the site of the Project at all times during the term of this Contract including but not limited to during construction of the Project.
19. CONTRACTOR agrees to maintain the property in good condition and repair, free of debris and waste.
20. If, through any cause, CONTRACTOR shall fail to fulfill in timely and proper manner its obligations under this Contract, or if CONTRACTOR shall violate any of the covenants, agreements, or stipulations of this Contract, COUNTY shall have the right to terminate this Contract by giving written notice to CONTRACTOR of such termination and specifying the effective date of such termination. Without prejudice to the foregoing, CONTRACTOR agrees that if, prior to the termination or expiration of this Contract, upon any final or interim audit by COUNTY, COUNTY finds that CONTRACTOR has failed to fulfill its obligations under this Contract in a timely and proper manner, that CONTRACTOR shall forthwith bring itself into compliance and shall pay to COUNTY forthwith whatever sums are so disclosed to be due to COUNTY (or shall, at COUNTY's election, permit COUNTY to deduct such sums from whatever amount remains

undisbursed by COUNTY to CONTRACTOR pursuant to this Contract); if this Contract shall have terminated or expired, and it shall be disclosed upon such audit, or otherwise, that such failure shall have occurred, the CONTRACTOR shall pay to COUNTY forthwith whatever sums are so disclosed to, or determined by, COUNTY to be due to COUNTY, or shall, at COUNTY's election, permit the COUNTY to deduct such sums from whatever amounts remain undistributed by COUNTY to CONTRACTOR pursuant to this or any other contract between the COUNTY and CONTRACTOR. Anything in this Contract to the contrary notwithstanding, until the Loan Documents are executed by both the COUNTY and CONTRACTOR, COUNTY or CONTRACTOR shall have the right to terminate this Contract with or without cause at any time upon giving at least 30 calendar days' written notice prior to the effective date of such termination. This condition for termination of this Contract may be modified by mutual consent of both parties.

21. CONTRACTOR shall comply with the prohibition on the use of debarred, suspended, or ineligible contractors set forth in 24 CFR Part 24. If CONTRACTOR has entered into Loan Documents prior to the execution of this Contract, CONTRACTOR has executed the Debarment Certification attached as Exhibit E, which by this reference is made a part of this Contract. If CONTRACTOR has not previously executed the Debarment Certification, CONTRACTOR shall do so as a condition of this Contract.
22. COUNTY has implemented a First Source Hiring Program for contracts over \$100,000. CONTRACTOR shall identify for the COUNTY the number of new positions resulting from the procurement of this Contract by the CONTRACTOR needed to fulfill this Scope of Work, in accordance with Exhibit F, which by this reference is made a part of this Contract. In addition, the CONTRACTOR shall post any new or vacant position to be filled during the term of this Contract to the COUNTY identified "First Source" system ten (10) working days before advertising to the general public. The CONTRACTOR agrees to post any new or vacant position to this system that CONTRACTOR has available during the contract term. The goal of this provision is to hire local lower income individuals who are seeking positions with Contractors receiving COUNTY funding. Details of this provision are outlined in Exhibit F. If CONTRACTOR has entered into Loan Documents prior to the execution of this Contract CONTRACTOR has executed the First Source Hiring Certification attached as Exhibit F. If CONTRACTOR has not previously executed the First Source Hiring Form, CONTRACTOR shall do so as a condition of this Contract.
23. This Contract can be amended only by written agreement of the parties hereto.
24. Contractor agrees to execute and abide by the terms and provisions of Exhibit F if the A1 Bond Loan amount identified under this Contract exceeds One Million Dollars (\$1,000,000).
25. The obligations of this Contract, which by their nature would continue beyond the termination on expiration of the Contract, including without limitation, the obligations regarding indemnification (Paragraph 5), responsibility for subcontractors (Paragraph 7) ,

non-discrimination (Section 12), reporting (Exhibit A, Paragraph 6.K.) shall survive termination or expiration. Sections 6 and 15 shall survive until such time as the A1 Bond Loan is repaid in full and the related regulatory agreement term has expired.

REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK

IN WITNESS WHEREOF, the parties hereto have executed this Contract on the day first mentioned above.

COUNTY:

COUNTY OF ALAMEDA, a political subdivision of the State of California

By: \_\_\_\_\_  
Wilma Chan  
President, Board of Supervisors

DATE: \_\_\_\_\_

Approved as to form:

Donna R. Ziegler, County Counsel

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

DATE: \_\_\_\_\_

CONTRACTOR:

COLISEUM TRANSIT VILLAGE ONE, LP, a California limited partnership

By: PACH Affordable Holdings, LLC, a California limited liability company, its managing general partner

By: Pacific Housing, Inc., a California nonprofit public benefit corporation, its Sole Member and Manager

By: \_\_\_\_\_  
Mark A. Wiese  
President

By: Coliseum Development Partners, LLC, a California limited liability company, its administrative general partner

By: UrbanCore Development, LLC, a California limited liability company, its managing member

By: \_\_\_\_\_  
Michael E. Johnson  
President

DATE: \_\_\_\_\_

By signing above, signatory warrants and represents that he/she executed this Contract in his/her authorized capacity and that by his or her signature on this Contract, he or she or the entity upon behalf of which he/she acted, executed this Contract.

IN WITNESS WHEREOF, the parties hereto have executed this Contract on the day first mentioned above.

COUNTY:

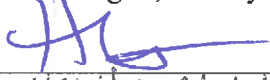
COUNTY OF ALAMEDA, a political subdivision of the State of California

By:   
Wilma Chan  
President, Board of Supervisors

DATE: 8/22/18

Approved as to form:

Donna R. Ziegler, County Counsel

By:   
Name: Heather M. Littlejohn  
Title: Deputy County Counsel

DATE: \_\_\_\_\_

CONTRACTOR:

COLISEUM TRANSIT VILLAGE ONE, LP, a California limited partnership

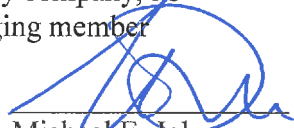
By: PACH Affordable Holdings, LLC, a California limited liability company, its managing general partner

By: Pacific Housing, Inc., a California nonprofit public benefit corporation, its Sole Member and Manager

By: \_\_\_\_\_  
Mark A. Wiese  
President

By: Coliseum Development Partners, LLC, a California limited liability company, its administrative general partner

By: UrbanCore Development, LLC, a California limited liability company, its managing member

By:   
Michael E. Johnson  
President

DATE: 8/22/18

By signing above, signatory warrants and represents that he/she executed this Contract in his/her authorized capacity and that by his or her signature on this Contract, he or she or the entity upon behalf of which he/she acted, executed this Contract.

EXHIBIT A  
ALAMEDA COUNTY WORK PROGRAM  
BETWEEN  
ALAMEDA COUNTY HOUSING & COMMUNITY DEVELOPMENT  
AND  
COLISEUM TRANSIT VILLAGE ONE, LP

1. CONTRACTOR shall use the A1 Bond Loan Funds provided in this Contract to develop the Coliseum Connections Project, located at 805 71st Avenue in the City of Oakland. The A1 Bond Loan Funds may only be used for the acquisition or improvement of real property to be used for affordable housing consistent with the Ballot Measure. The Project will be a 110-unit new construction development consisting of 55 rental units for households earning between 50% and 60% AMI, 54 units of market rate rental housing, and 1 manager's unit. Based on the funding provided by the County pursuant to this Contract as allocated to the Total Project budget, Contractor shall ensure that 22 of the affordable units are restricted by COUNTY at the following income levels: 55 units at 50% AMI.
2. CONTRACTOR shall have primary responsibility for carrying out all phases of the Project, including but not limited to, securing additional financing; obtaining land use entitlements and planning approvals; construction; tenant relocation; formulating a services plan appropriate for the disability of the residents; leasing and asset management for the term of the Project regulatory agreement. All actions related to the development of the Project shall be reviewed and approved by the Alameda County Housing and Community Development Department's Housing Director or his or her designee prior to commencement.
3. CONTRACTOR must have its own insurance, including but not limited to general liability, auto, workers' compensation and property insurance. CONTRACTOR shall ensure that the County of Alameda, its Board of Supervisors, the individual members thereof, and all County officers, agents, employees and volunteers are named as additional insureds in the General Liability and Automobile Liability Policies, as further set forth in Exhibit C. Ongoing insurance requirements after construction completion are or will be outlined in the Loan Documents.

If CONTRACTOR will hire subcontractors at a later date, it is the CONTRACTOR's responsibility to ensure that its subcontractors carry all insurance as required by the COUNTY prior to the start of the construction.

CONTRACTOR shall enter into and be bound by a Promissory Note, Regulatory Agreement, Deed of Trust, and Loan Agreement, referred to as "Loan Documents". CONTRACTOR shall record against the property the Deed of Trust and Regulatory Agreement which shall specify affordability and occupancy levels, term of affordability, maintenance and management standards, and other related requirements as part of the overall agreement between the parties for funding. In the event of a conflict between this Contract and the Loan Documents, the Loan Documents shall prevail.

- |    |  |                   |
|----|--|-------------------|
| A. | Begin Construction                           | October 30, 2017  |
| B. | Construction Completion                      | August 1, 2019    |
| C. | Occupancy & Certification                    | December 31, 2019 |
| D. | Close-Out Report (see Exhibit B for details) | April 1, 2023     |

5. CONTRACTOR shall comply with the following additional requirements, as applicable:

- A. **Environmental Review:** Contractor must comply with all requirements under the National Environmental Policy Act (NEPA) (if applicable due to project financing that includes Federal funds), and California Environmental Quality Act (CEQA). The expenditure of funds is contingent upon receiving any required environmental clearance from appropriate government agencies.
- B. **Relocation:** All Contracts funded with Federal and State funding must comply with the applicable Federal Uniform Relocation and the State Relocation requirements.
- C. **Davis-Bacon:** CONTRACTOR is responsible for Davis Bacon wage requirements as detailed in the Loan Documents evidencing the A1 Bond Loan, if applicable.
- D. **Prevailing Wage:** Contractor shall pay State prevailing wages, CONTRACTOR shall utilize a third party monitor to monitor compliance and submit quarterly reports to the County documenting compliance with payment of State prevailing wages.
- E. **Competitive Bidding:** COUNTY requires and the CONTRACTOR shall implement competitive bidding of all construction and professional services contracts arising from the use of COUNTY funds.
- F. **Construction Contract:** For record keeping purposes, the following items are required to be submitted prior to construction start:
  - a. Inspection Reports for Rehab Projects
  - b. Final Work Write Up – Cost Estimation
  - c. Contractor Bid Documents
  - d. Results of Bids
  - e. Contractor Eligibility Form
  - f. Contractor's Certificate of Insurance
  - g. Evidence of Contractor Licensure
  - h. Debarment List-Proof that General or Subcontractors are not suspended
  - i. Pre-Construction Conference Report
  - j. Lead-based Paint Compliance Documentation
  - k. New Construction or Rehabilitation Contract
  - l. Notice to Proceed
  - m. Asbestos Report
  - n. Prevailing Wage Project Agreement Form



During Construction, the following are required to be submitted as part of the monthly reporting requirements:

1. Approved Change Orders
2. Contractor Payment Requests (submit list of payments, not copies)
3. Payment Certifications

After Construction Completion, and prior to release of retention, the following are required to be submitted to the Alameda County Housing and Community Development Department (HCD) as part of the close out report:

1. Documentation of Final Inspection
2. Lien Release and Final Lien Waivers for General Contractor and all Sub-contractors
3. Receipt of Final Payment Form
4. Certificate of Occupancy
5. Notice of Completion

**G. Accessibility:** CONTRACTOR must meet the requirements of (i) the Unruh Act, (ii) the California Fair Employment and Housing Act, (iii) the United States Fair Housing Act, as amended, (iv) the Americans with Disabilities Act of 1990, and (v) Chapters 11A and 11B of Title 24 of the California Code of Regulations, among other local, state, and federal laws. Projects with any federal funds must also meet the more stringent accessibility requirements of Section 504 of the Rehabilitation Act of 1973 (24 CFR 100.205 and Part 8) (Section 504). Section 504 sets minimum percentages of accessible units, and calls for fully accessible common areas, among its numerous requirements. Under Section 504, 5% of the total number of units must be accessible to people with physical disabilities, and an additional 2% of units must be accessible to people with auditory and visual disabilities, as defined in the Uniform Federal Accessibility Standards (UFAS). CONTRACTOR and Project architect must make a written certification of compliance with the accessibility requirements listed above.

**H. Fair Housing Marketing/Lease:** CONTRACTOR must submit a Preliminary Management Plan and Fair Marketing Plan to HCD. A Final Management Plan and Marketing Plan will be required 180 days prior to construction completion and a Management Contract must be submitted to HCD 90 days prior to construction completion. The final Marketing Plan must be approved prior to beginning rent-up activities, including marketing flyers and application materials. CONTRACTOR must adopt tenant selection policies and criteria as required by 24 CFR 92.253 for projects with HOME, HOPWA or CDBG or other federal funding and to the extent possible, the EveryOneHome Leasing Guidelines.

The lease between a tenant and CONTRACTOR of a rental unit assisted with the funds under this Contract must be not for less than one year, unless by mutual agreement between the tenant and the owner. Contractor must abide by all lease terms required by 24 CFR 92.253 for projects with any federal funds.

**I. Lead-Based Paint:** The use of lead-based paint on COUNTY funded projects, including A1 Bond funded projects, is prohibited. Testing and abatement of lead-

based paint in federally-funded rehabilitation projects may be required. If applicable due to project financing, the projects will follow applicable federal guidelines, which require notification to prospective residents of potential lead-based paint hazards, among other requirements.

- J. **Annual Recertification of Tenant Income:** CONTRACTOR shall re-examine tenant incomes annually to ensure that tenants continue to meet the income requirements of HCD funding programs. As required by the Regulatory Agreement, rent schedules and utility allowances, including any increases, must be reviewed and approved annually by HCD and adhere to guidelines of the funding sources. Projects that are also assisted with Low Income Housing Tax Credits or the Multifamily Housing Program will be subject to those relevant rules regarding over-income tenants. Rents and tenant incomes will be submitted to HCD for its annual compliance review.
- K. **Reporting:** CONTRACTOR shall be responsible to HCD for ongoing reports on the progress and condition of the Project.
- a. **During Construction** CONTRACTOR shall provide information on the progress of the Project to HCD as part of each request for a funding draw or reimbursement, including information on MB/WBE, Section 3, State prevailing wage and Davis Bacon compliance as applicable. See paragraph 6.F. of this Exhibit for more details.
    - i. **Prevailing Wage Quarterly Reports:** CONTRACTOR shall submit quarterly prevailing wage compliance reports during the construction period, using the template provided by the County.
    - ii. **Access to all prevailing wage records during and after construction for 5 years:** CONTRACTOR shall make available to the County during the construction period and for at least 5 years after the close construction, access to copies of all documents generated from prevailing wage monitoring of this Project. This includes electronic and/or hard copies of employee payrolls, supporting documentation, etc.
    - iii. **Withholding of invoice payments pending correction of noncompliance:** The County may withhold payment on requests for funding draws, pending correction of outstanding noncompliance with prevailing wage requirements and/or approval of a satisfactory compliance plan.
  - b. **Close Out Report** Before the County shall release retention, Contractor shall provide the following close out materials
    - i. MB/WBE & Section 3 reporting form  
(see <http://www.acgov.org/cda/hcd/rhd/contracting.htm>)
    - ii. Davis Bacon (if applicable) documents
    - iii. State Prevailing Wage compliance close-out report (using template provided by County)
    - iv. Rent-up report

- v. Cost certification/Project audit/Final Sources and Uses
  - vi. Certificate of Occupancy
  - vii. Lien Releases and final payment certification
  - viii. Final Management Plan (180 days prior to the end of construction)
  - ix. Final Affirmative Fair Marketing Plan and outreach materials
  - x. Final Relocation Report (if applicable)
  - xi. Final Report on Section 504 (list of which units are accessible)
  - xii. Final Report on Title 24
  - xiii. Funding Source Close-out Report
  - xiv. EveryOneHome Unit Data Form
  - xv. Environmental Clearance/Mitigation Documents
- c. **Quarterly Reports** For the first year after the Project is completed, CONTRACTOR shall submit to HCD quarterly reports not more than 60 days after the end of each quarter that year. These reports shall include financial statements, operating budgets, actual versus. budget, tenancy reports and a cash flow pro forma. These requirements will be specified in more detail in the Regulatory Agreement.
- d. **Annual Reports** After the first year, or when the Housing Director or his or her designee determines, an annual report must be submitted not more than 180 days after the end of the fiscal year (July 1 - June 30). These reports must include financial statements, operating budgets, actual versus. budget, tenancy reports and a cash flow pro forma. These requirements will be specified in more detail in the Regulatory Agreement. CONTRACTOR's obligations under this subparagraph shall continue until repayment of the A1 Bond Loan and the termination of the Regulatory Agreement.
6. CONTRACTOR must comply with all applicable laws, ordinances, codes and regulations. The specific requirements enumerated or summarized above are provided for the convenience of the parties. To the extent Paragraph 6 above conflicts with applicable laws, ordinances, codes and regulations, as they may be amended from time to time, the actual text of the laws, ordinances, codes and regulations shall control.

EXHIBIT B  
CONDITIONS FOR DISBURSEMENT AND PAYMENT

**1. BUDGET**

The Project budget as of the date of this contract is attached as Exhibit B-1. The Project budget is subject to the terms and conditions of this contract, including any repayment or reduction in A1 Bond Loan disbursement due to excess Project financing.

Before any disbursement of A1 Bond Loan funds, CONTRACTOR shall establish a budget, to be approved in writing by the Housing Director or his or her designee, specifying by line item the expenditures to be made with A1 Bond Loan funds. Once a budget is approved by COUNTY, changes may be made only with a written request to be approved by the Housing Director or his or her designee in advance of a request for disbursement of funds.

**2. METHOD OF PAYMENT**

All requests for a funding draw or reimbursement will be in a format approved by COUNTY.

- a. All requests for a funding draw or reimbursement shall be on CONTRACTOR's letterhead, contain an original authorized signature, invoice number, total amount requested and amounts broken down by line item on the approved budget. This document shall be called an "Invoice", and shall track disbursements made by budget line item, current requests, and amount remaining in the budget line item, as illustrated below:

Line Item	Total Budget	Previous Requests	Current Request	Balance Remaining
-----------	--------------	-------------------	-----------------	-------------------

- b. All invoices shall be paid on a funding draw or reimbursement basis, and shall be submitted no more than monthly with supporting documentation of actual costs incurred during the period of time covered by the invoice. If under a specific line item, CONTRACTOR has more than one form of back up or supporting documentation, CONTRACTOR must also summarize the documentation and include a subtotal of items which add up to the line item total. Invoices must be properly organized and are subject to return to CONTRACTOR and non-payment by COUNTY if they are not.
- c. Funding for this Project covers expenses incurred from June 1, 2018.
- d. All funds disbursed to CONTRACTOR must be expended within fifteen (15) days of approval of the receipt of funds. The final disbursement shall be

requested by CONTRACTOR not less than sixty (60) days before Project completion.

- e. Any adjustments made by the fiscal auditors at the year-end audit, under the AICPA guidelines and other relevant federal regulations should be brought to the attention of COUNTY staff for reconciliation.
- f. CONTRACTOR is responsible for reporting any required or existing matching funds used on this Project which do not originate from COUNTY sources.
- g. Disbursement of A1 Bond Loan funds is subject to the terms and conditions of this Contract as well as the conditions of disbursement set forth in Section 3 below, in addition to any disbursement conditions set forth in the Loan Documents, as they may be amended.

### 3. CONDITIONS TO DISBURSEMNT

- a. Conditions to Disbursement of A1 Bond Loan funds. COUNTY is not obligated to disburse any portion of the A1 Bond Loan funds unless all of the following conditions have been and continue to be satisfied:

(1) There exists no default nor any act, failure, omission or condition that would constitute an event of default under the Loan Documents;

(2) CONTRACTOR possesses a fee/long-term leasehold interest in the Project or is acquiring fee/leasehold title to the Project simultaneously with closing of all financing necessary for the construction of the Project;

(3) CONTRACTOR has provided a copy of its tax credit reservation letter for the Project, signed by California Tax Credit Allocation Committee and accepted by CONTRACTOR, if applicable;

(4) CONTRACTOR has delivered to COUNTY a copy of a resolution authorizing CONTRACTOR's execution of the Loan Documents;

(5) CONTRACTOR has caused to be executed and delivered to COUNTY all Loan Documents, the construction management agreement, and any other instruments and policies required under the Loan Documents;

(6) The Loan Documents, which are required to be recorded against the Project pursuant to the Loan Documents, are recorded against CONTRACTOR's interest in the Project, or will be simultaneously with closing of all financing necessary for the construction of the Project;

(7) CONTRACTOR has furnished COUNTY with evidence of the insurance coverage meeting COUNTY requirements;

- (8) COUNTY has approved the development budget for the Project;
- (9) A title insurer reasonably acceptable to COUNTY is unconditionally and irrevocably committed to issuing an LP-10 2006 Lender's Policy of title insurance insuring the priority of COUNTY's deed of trust in the amount of the A1 Bond Loan, subject only to such exceptions and exclusions as may be reasonably acceptable to COUNTY, and containing such endorsements as COUNTY may reasonably require. CONTRACTOR shall provide whatever documentation (including an indemnification agreement), deposits or surety that is reasonably required by the title company in order for COUNTY's deed of trust to be senior in lien priority to any mechanics liens in connection with any early start of construction;
- (10) CONTRACTOR and CONTRACTOR's partners, if any, have executed, and COUNTY has approved, CONTRACTOR's organizational documents;
- (11) CONTRACTOR has obtained all permits and approvals necessary for the construction of the Project and COUNTY has received a copy of the building permits required to construct the Project;
- (12) COUNTY has received and approved the final construction plans for the construction of the Project, as required pursuant to the Loan Documents. The construction plans shall not be considered approved by COUNTY unless such construction plans are in conformance with all applicable disabled persons accessibility requirements;
- (13) COUNTY has received and approved the general contractor's construction contract that CONTRACTOR has entered for construction of the Project as required pursuant to the Loan Documents;
- (14) COUNTY has received copies of labor and material (payment) bonds and performance bonds as required pursuant to the Loan Documents;
- (15) Except for any financing to be provided at Conversion (as defined below), CONTRACTOR has closed, or is closing concurrently with the acquisition of the Project, all other financing to be used for construction approved by COUNTY in the development budget and is eligible to receive the proceeds thereof in accordance with the terms and conditions evidencing such financing;
- (16) COUNTY has issued one or more series of A1 Bonds and has on hand A1 Bond Funds sufficient to fund the A1 Bond Loan;
- (17) COUNTY has determined that the undisbursed proceeds of the A1 Bond Loan, together with other funds or firm commitments for funds that CONTRACTOR has obtained in connection with the Project, are not less than the

amount that is necessary to pay for development of the Project and to satisfy all of the covenants contained in the Loan Documents;

(18) COUNTY has received a written draw request from CONTRACTOR, including certification that the condition set forth in Section (a)(1) continues to be satisfied, and setting forth the proposed uses of funds consistent with the project budget, the amount of funds needed, and, where applicable, a copy of the bill or invoice covering a cost incurred or to be incurred. When a disbursement is requested to pay any costs other than costs associated with the acquisition of the Project or hard cost construction of the Project, such disbursement will be made only on a cost reimbursement basis and the disbursement request must be accompanied by receipts that show the bill or invoice has already been paid by CONTRACTOR. When a disbursement is requested to pay any contractor in connection with the construction of the Project, the written request must be accompanied by (i) certification by CONTRACTOR's architect reasonably acceptable to COUNTY that the work for which disbursement is requested has been completed (although COUNTY reserves the right to inspect the Project and make an independent evaluation); and (ii) lien releases and/or mechanics lien title insurance endorsements reasonably acceptable to COUNTY. CONTRACTOR shall apply the disbursement for the purposes requested;

(19) COUNTY has received from CONTRACTOR a recorded notice of completion for the Project;

(20) COUNTY has received from CONTRACTOR copies of the final certificate of occupancy for the Project;

(21) COUNTY has received from CONTRACTOR a copy of the final City (or County) Building Department inspection;

(22) COUNTY has received a completion report from CONTRACTOR setting forth (i) the income, household size, and ethnicity of tenants in the Affordable Units in the Project, (ii) the unit size, rent amount and utility allowance for all units in the Project restricted by COUNTY, and (iii) designation of the units in the Project made accessible pursuant to the applicable accessibility requirements;

(23) COUNTY has received a cost certification for the Project from CONTRACTOR showing all uses and sources (receipt of the cost certification submitted to the California Tax Credit Allocation Committee may fulfill this requirement);

(24) COUNTY has received from CONTRACTOR a form of tenant lease and marketing plan for the Project;

(25) COUNTY has received from CONTRACTOR evidence of marketing for any vacant units in the Project such as copies of flyers, list of media ads, list of

agencies and organizations receiving information on availability of units, as applicable;

(26) COUNTY has received from CONTRACTOR all relevant contract activity information, including compliance with Section 3 and MBE/WBE requirements, if applicable;

(27) COUNTY has received from CONTRACTOR a final management plan for the Project and contact information for the property manager of the Project and the name and phone number of the on-site property manager;

(28) In connection with state prevailing wages and/or prevailing wages under the Davis-Bacon Act (40 USC 3141-3148), COUNTY has received from CONTRACTOR all certified payrolls, and any identified payment issues have been resolved, or CONTRACTOR is working diligently to resolve any such issues;

(29) COUNTY has received from CONTRACTOR a certification regarding the accessibility of the Project to disabled persons;

(30) CONTRACTOR has complied with First Source Hiring Requirements, as described in Exhibit F;

(31) CONTRACTOR has paid the construction management fees (if any) required to be paid pursuant to the Loan Documents; and

(32) COUNTY has received from CONTRACTOR the Resident Services Plan and Resident Services Budget as defined in the Loan Documents.

b. Disbursement Conditions if Funds Disbursed Prior to Conversion. CONTRACTOR may provide a written request to COUNTY for the A1 Bond Loan to be disbursed during construction and prior to permanent conversion ("Conversion"). COUNTY may, in its sole discretion, agree to disburse the funds prior to Conversion. Any agreement by COUNTY for early disbursement of the A1 Bond Loan proceeds will be contingent upon funding availability, COUNTY administrative and staffing capacity and availability, and CONTRACTOR's agreement to provide for any legal fees incurred in connection with any necessary amendment of the Loan Documents to accommodate such early disbursement of the A1 Bond Loan proceeds. In the event that the A1 Bond Loan proceeds are disbursed prior to Conversion, subsections (19) - (32) of Subsection (a) shall not be required to be fulfilled until Conversion. COUNTY shall withhold fifty thousand dollars (\$50,000) of the A1 Bond Loan until receipt of the items described in subsections (19)-(32), and those items described in Section 7 below to the extent not listed in this Section 3. If the A1 Bond Loan proceeds are disbursed prior to Conversion, CONTRACTOR may be required to make a special repayment of the A1 Bond Loan in the amount of Net Proceeds of



Permanent Financing (defined below) at Conversion, as further set forth in the Loan Documents.

- c. Additional Conditions to Disbursement at Conversion. In addition to the conditions set forth in Subsection (a) above, if the A1 Bond Loan is to be disbursed at Conversion, disbursement of such funds shall not occur until:

(1) COUNTY has received and approved the calculation of the Net Proceeds of Permanent Financing. "Net Proceeds of Permanent Financing" means the amount by which the permanent financing for the Project exceeds the total of the cost of acquisition and construction of the Project. The amount of the A1 Bond Loan may be decreased by the amount of the Net Proceeds of Permanent Financing due COUNTY as further set forth in the Loan Documents;

(2) All other permanent financing has been disbursed or is being disbursed to CONTRACTOR concurrently with the disbursement of the A1 Bond Loan; and

(3) COUNTY has determined the amount of the A1 Bond Loan subject to disbursement, as such may be reduced by the amount of Net Proceeds of Permanent Financing due COUNTY.

#### **4. REQUESTS FOR ADJUSTMENTS TO BUDGET LINE ITEMS**

Once the line item budget has been approved, there can be no more than four (4) requests for adjustments to the budget during the contract period, including any final adjustments done at the end of the Project, unless otherwise approved by the Housing Director or his or her designee, which approval shall not be unreasonably withheld. Any change in the line item budget that results in lower costs shall be communicated to COUNTY immediately. If Housing Director or his or her designee determines that the total amount of funds available under this Contract exceeds the amount necessary to complete the Project, Housing Director or his or her designee may adjust the Contract accordingly. The budget amendment request should be on CONTRACTOR's letterhead, must contain an original signature of the CONTRACTOR'S authorized signer, and must track the requested change by line item, showing original budget amount, balance expended to date, remaining funding by each line item, the amount to be moved between line items, and the final new budget amount. Budget amendments take between two and three weeks to process, and must be processed prior to receipt of an invoice requesting funding under the new budget. The Housing Director or his or her designee reserves the right to deny any budget modification request.

#### **5. PUBLIC RECOGNITION OF FUNDING**

CONTRACTOR will publicly recognize the funding provided by the COUNTY County Measure A1 Bonds in all newspaper articles and any other public relations opportunities related to this Project. CONTRACTOR will invite HCD staff and members of the Board

of Supervisors to participate in the groundbreaking and grand opening ceremonies, if held.

## **7. COMPLIANCE WITH LOCAL POLICIES**

CONTRACTOR may use a payroll service to handle payroll or handle payroll responsibilities internally. In either case, CONTRACTOR certifies that as required by local, State, and/or Federal law, all payroll and other required taxes will either be paid in full or accrued in the liabilities and accounted for with offsetting cash reserves to meet the obligation. CONTRACTOR shall include a certification to that effect in its annual audit report.

## **8. RETENTION OF FUNDS**

HCD will retain \$50,000 of the A1 Bond Loan proceeds until receipt of close-out documents. If the close-out documents are not received within twelve months following completion of construction, the \$50,000 in remaining A1 Bond Loan funds will be deemed repaid to the County. Close-out documents include the following, with the exception of those items that are applicable only to the receipt of federal funds:

- a. MBWBE (if haven't received for the year in which construction is completed)
- b. Section 3 (if haven't received for the year in which construction is completed)
- c. Rent-up report with race, household size, income, subsidy information
- d. Cost certification/Project audit/Final Sources and Uses
- e. Certificate of Occupancy & recorded Notice of Completion
- f. Lien Releases, and final payment certification
- g. Final Building Department Inspection
- h. Final Management Plan
- i. Final Affirmative Fair Marketing Plan and outreach materials
- j. Final Relocation Report (if applicable)
- k. Final Report on Section 504 (list of which units are accessible)-Note on Rent-up Report
- l. Section 504 certification
- m. EveryOneHome Unit Data Form
- n. Insurance Certificates

Exhibit B-1  
Project Budget

<b>Total Development Cost:</b>	\$ 56,451,075.00
<b>Per unit costs</b>	\$ 513,191.59
<b>Acquisition</b>	\$ 65,000.00
<b>Construction</b>	\$ 43,748,331.00
<b>Soft Costs</b>	\$ 12,637,744.00
<b>Measure A1</b>	<b>\$ 2,500,000.00</b>
<b>Percentage</b>	<b>4.43%</b>
<b>Number of units</b>	55
<b>number of Alameda County Units</b>	22
<b>Percent of Alameda County Units</b>	<b>40.00%</b>

**EXHIBIT C**  
**COUNTY OF ALAMEDA MINIMUM INSURANCE REQUIREMENTS**

Without limiting any other obligation or liability under this Contract, the Contractor, at its sole cost and expense, shall secure and keep in force during the entire term of the Contract or longer, as may be specified below, the following insurance coverage, limits and endorsements:

TYPE OF INSURANCE COVERAGES	MINIMUM LIMITS
<b>A Commercial General Liability</b> Premises Liability; Products and Completed Operations; Contractual Liability; Personal Injury and Advertising Liability	\$1,000,000 per occurrence (CSL) Bodily Injury and Property Damage
<b>B Commercial or Business Automobile Liability</b> All owned vehicles, hired or leased vehicles, non-owned, borrowed and permissive uses.	\$1,000,000 per occurrence (CSL) Any Auto Bodily Injury and Property Damage
<b>C Workers' Compensation (WC) and Employers Liability (EL)</b> Required for all contractors with employees	WC: Statutory Limits EL: \$100,000 per accident for bodily injury or disease
<b>D Professional Liability/Errors &amp; Omissions</b> Includes endorsements of contractual liability	\$1,000,000 per occurrence \$2,000,000 project aggregate
<b>E Course of Construction /Builder's Risk All Risk</b>	\$ Value of Completed project or materials
<b>F Endorsements and Conditions:</b> <ol style="list-style-type: none"> <li>1. <b>ADDITIONAL INSURED:</b> General Liability and Automobile Liability Policies shall be endorsed to name as additional insured: County of Alameda, its Board of Supervisors, the individual members thereof, and all County officers, agents, employees and volunteers.</li> <li>2. <b>DURATION OF COVERAGE:</b> All required insurance shall be maintained during the entire term of the Contract with the following exception: Insurance policies and coverage(s) written on a claims-made basis shall be maintained during the entire term of the Contract and until 3 years following termination and acceptance of all work provided under the Contract, with the retroactive date of said insurance (as may be applicable) concurrent with the commencement of activities pursuant to this Contract.</li> <li>3. <b>REDUCTION OR LIMIT OF OBLIGATION:</b> All insurance policies shall be primary insurance to any insurance available to the Indemnified Parties and Additional Insured(s). Pursuant to the provisions of this Contract, insurance effected or procured by the Contractor shall not reduce or limit Contractor's contractual obligation to indemnify and defend the Indemnified Parties.</li> <li>4. <b>INSURER FINANCIAL RATING:</b> Insurance shall be maintained through an insurer with a A.M. Best Rating of no less than A:VII or equivalent, shall be admitted to the State of California unless otherwise waived by Risk Management, and with deductible amounts acceptable to the County. Acceptance of Contractor's insurance by County shall not relieve or decrease the liability of Contractor hereunder. Any deductible or self-insured retention amount or other similar obligation under the policies shall be the sole responsibility of the Contractor.</li> <li>5. <b>SUBCONTRACTORS:</b> Contractor shall include all subcontractors as an insured (covered party) under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.</li> <li>6. <b>JOINT VENTURES:</b> If Contractor is an association, partnership or other joint business venture, required insurance shall be provided by any one of the following methods: <ul style="list-style-type: none"> <li>– Separate insurance policies issued for each individual entity, with each entity included as a "Named Insured (covered party), or at minimum named as an "Additional Insured" on the other's policies.</li> <li>– Joint insurance program with the association, partnership or other joint business venture included as a "Named Insured.</li> </ul> </li> <li>7. <b>CANCELLATION OF INSURANCE:</b> All required insurance shall be endorsed to provide thirty (30) days advance written notice to the County of cancellation.</li> <li>8. <b>CERTIFICATE OF INSURANCE:</b> Before commencing operations under this Contract, Contractor shall provide Certificate(s) of Insurance and applicable insurance endorsements, in form and satisfactory to County, evidencing that all required insurance coverage is in effect. The County reserves the rights to require the Contractor to provide complete, certified copies of all required insurance policies. The require certificate(s) and endorsements must be sent to: <ul style="list-style-type: none"> <li>- Department/Agency issuing the contract</li> <li>- With a copy to Risk Management Unit (125 – 12<sup>th</sup> Street, 3<sup>rd</sup> Floor, Oakland, CA 94607)</li> </ul> </li> </ol>	

County of Alameda  
Request for Insurance Waiver or Change  
(To be completed by the Contracting Department)  
Fax or QIC to: Risk Management Unit  
Fax 272-6815 or 2-6815 / QIC 28505

Attn.: Contract Review: Sean Mullen Phone: 510 272-6045  
(Sr. Risk & Insurance Analyst)

Fax Back to:	Name: <u>Arnon Tiedemann</u>	Dept.: <u>HCD</u>
	Phone: <u>910-670-9746</u>	QIC: <u>50708</u>
		Fax: <u>670-6378</u>

Date of Request: 6/29/18 Amount of Contract: 2,500,000 Term of Contract: 7/10/18 - 12/31/22  
Name of Contractor: Coliseum Transit Village one L.P.

1. What do you want to waive or change (W=waive and C=change)?
- a) Coverage (s): General Liability  Auto Liability  Professional Liability  Workers' Comp   
Other Required Coverages: \_\_\_\_\_
- b) Change in Limits: General Liability: From \$1,000,000 to \$\_\_\_\_\_ per occurrence  
Auto Liability: From \$1,000,000 to \$\_\_\_\_\_ per occurrence  
Professional Liability: From \$1,000,000 to \$\_\_\_\_\_ per claim  
Other Coverage Limits: \_\_\_\_\_
- c) Reason: All staff are 1099 consultants, and therefore the company does not provide them with auto and workman's comp, they provide their own.
2. Request for Time Waiver: Coverage(s) \_\_\_\_\_ List # of days requested \_\_\_\_\_  
(This allows Contractor time to bind the insurance before the Contract term begins)

3. For Workers' Compensation Waiver, please have Contractor sign the separate Workers' Compensation Written Declaration of Compliance.

4. Please attach a copy of the Scope of Services.

\*\*\*\*\*

This Section to be completed by Risk Management

Identify Risk to County: \_\_\_\_\_  
Waiver: Granted  Denied  Change: Granted  Denied

Considerations: A Vendor/Contractor Insurance Program has been developed for contractors who do not have or cannot afford the required insurance. Please contact the Risk Management Unit for more information.

Authorized Signature:  Date: 7-1-18

**County of Alameda**  
**Workers' Compensation Written Declaration of Compliance**  
*(To be completed by the Contractor)*


Amount of Contract: \$2,500,000 Term of Contract: 7/10/18- 12/31/22  
Name of Contractor: Coliseum Transit Village One, LP

**For Workers' Compensation, please have Contractor sign this declaration if applicable:**

**Declaration:**

With respect to the above-mentioned business, I hereby warrant that the business has no employees other than the owners, officers, directors, partners or other principals who have elected to be exempt from Workers' Compensation coverage in accordance with California law.

I further warrant that I understand the requirements of the California Labor Code, including without limitation those stated in Labor Code Section 3700, et seq., with respect to providing Workers' Compensation coverage for any employees of the above mentioned business. I agree to comply with the Labor Code requirements and all other applicable laws and regulations regarding workers' compensation, payroll taxes, FICA, tax withholding and similar employment-related requirements. I further agree to defend, indemnify and hold the County of Alameda harmless from any and all loss or liability which may arise from the failure of the above-mentioned business to comply with all such laws or regulations.

<b>Signature</b> 	<u>7-9-18</u>
Owner, Officer, Director, Partner or other Principal	Date
<u>Michael E. Johnson, Admin. GP</u>	<u>7-9-18</u>
Print/Type Name	Title

*The above person has authority to sign on behalf of the contracting business. This signed declaration is part of the contractor's proof of insurance.*

**EXHIBIT D**  
**Intentionally Deleted**

**EXHIBIT E  
COUNTY OF ALAMEDA  
DEBARMENT AND SUSPENSION CERTIFICATION  
For Procurements Over \$25,000**

The contractor, under penalty of perjury, certifies that, except as noted below, contractor, its principals, and any named subcontractor:

- Is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any federal agency;
- Has not been suspended, debarred, voluntarily excluded or determined ineligible by any federal agency within the past three years;
- Does not have a proposed debarment pending; and
- Has not been indicted, convicted, or had a civil judgment rendered against it by a court of competent jurisdiction in any matter involving fraud or official misconduct within the past three years.

If there are any exceptions to this certification, insert the exceptions in the following space.

Exceptions will not necessary result in denial of award, but will be considered in determining contractor responsibility. For any exception noted above, indicate below to whom it applies, initiating agency, and dates of action.

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**Notes: Providing false information may result in criminal prosecution or administrative sanctions. The above certification is part of the Contract. Signing this Contract on the signature portion thereof shall also constitute signature of this Certification.**

CONTRACTOR:

COLISEUM TRANSIT VILLAGE ONE, LP,  
a California limited partnership

By: PACH Affordable Holdings, LLC,  
a California limited liability company,  
its managing general partner

By: Pacific Housing, Inc.,  
a California nonprofit public benefit corporation,  
its Sole Member and Manager

By:   
\_\_\_\_\_  
Mark A. Wiese  
President

By: Coliseum Development Partners, LLC,  
a California limited liability company,  
its administrative general partner

By: UrbanCore Development, LLC,  
a California limited liability company,  
its managing member

By: \_\_\_\_\_  
Michael E. Johnson  
President

DATE: \_\_\_\_\_

**Notes: Providing false information may result in criminal prosecution or administrative sanctions. The above certification is part of the Contract. Signing this Contract on the signature portion thereof shall also constitute signature of this Certification.**

CONTRACTOR:

COLISEUM TRANSIT VILLAGE ONE, LP,  
a California limited partnership

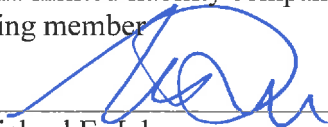
By: PACH Affordable Holdings, LLC,  
a California limited liability company,  
its managing general partner

By: Pacific Housing, Inc.,  
a California nonprofit public benefit corporation,  
its Sole Member and Manager

By: \_\_\_\_\_  
Mark A. Wiese  
President

By: Coliseum Development Partners, LLC,  
a California limited liability company,  
its administrative general partner

By: UrbanCore Development, LLC,  
a California limited liability company,  
its managing member

By:  \_\_\_\_\_  
Michael E. Johnson  
President

DATE:  \_\_\_\_\_

**Exhibit F**  
**FIRST SOURCE PROGRAM**

- (a) For contracts over \$100,000, Contractor agrees to comply with the Alameda County First Source Program ("First Source") for all new or vacant positions that are necessary to fulfill the obligations under this contract ("Positions"), including Positions that become available during the contract term. A Contractor Information and Projection of Job Positions form to be completed by Contractor during the contract period is attached hereto as Exhibit F-1.
- (b) Contractor shall:
- (1) Submit Exhibit F-1, Project of Job Positions, completed by the Contractor prior to posting new positions.
  - (2) Post new positions through the First Source System and search the First Source system for potential candidates to fill positions for a period of ten (10) calendar days prior to advertising the vacancy to the general public.
  - (3) Contact their Alameda County Contract Manager with any questions and to provide the required documentation. The Contract Manager for this contract is:  
  
**Jennifer Pearce: [jennifer.pearce@acgov.org](mailto:jennifer.pearce@acgov.org); (510)670-6474**
  - (4) If a position is hired through the First Source System, print out the result and attach it to the Quarterly Report.
  - (5) The quarterly report for the term of the contract is due to the Contract Manager on the 15<sup>th</sup> of January, April, July, and September for the prior quarter.
- The Quarterly Reports shall include the following:
- Completed form of Exhibit F-2, First Source Reporting Form
  - Completed form of Exhibit F-3, Job Placement Employment Verification Form, if applicable
  - Printouts from the First Source system showing hires
- (c) Contractor agrees to use its best efforts to hire candidates located through the First Source System, but the final decision of whether or not to offer employment, the terms and conditions of the employment, determination of the appropriateness of the qualifications and background of each of the candidate rest solely within the discretion of the Contractor and are the sole responsibility of the Contractor. Contractor is responsible for reporting out on all actions.


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CONTRACTOR:

COLISEUM TRANSIT VILLAGE ONE, LP,  
a California limited partnership

By: PACH Affordable Holdings, LLC,  
a California limited liability company,  
its managing general partner

By: Pacific Housing, Inc.,  
a California nonprofit public benefit corporation,  
its Sole Member and Manager

By:   
\_\_\_\_\_  
Mark A. Wiese  
President

By: Coliseum Development Partners, LLC,  
a California limited liability company,  
its administrative general partner

By: UrbanCore Development, LLC,  
a California limited liability company,  
its managing member

By: \_\_\_\_\_  
Michael E. Johnson  
President

DATE: \_\_\_\_\_

CONTRACTOR:

COLISEUM TRANSIT VILLAGE ONE, LP,  
a California limited partnership

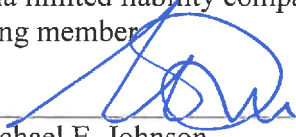
By: PACH Affordable Holdings, LLC,  
a California limited liability company,  
its managing general partner

By: Pacific Housing, Inc.,  
a California nonprofit public benefit corporation,  
its Sole Member and Manager

By: \_\_\_\_\_  
Mark A. Wiese  
President

By: Coliseum Development Partners, LLC,  
a California limited liability company,  
its administrative general partner

By: UrbanCore Development, LLC,  
a California limited liability company,  
its managing member

By: \_\_\_\_\_  
  
Michael E. Johnson  
President

DATE: 6/22/18

**Exhibit F-1**  
**CONTRACTOR'S PROJECTION OF JOB POSITIONS**

In order to comply with First Source requirements, please complete this form by estimating the number of new or vacant positions that are necessary to fulfill the obligations under the contract ("Positions"). Complete the form with the number of positions you anticipate you will be hiring candidates to fill.

Contractor Name: \_\_\_\_\_  
 Street Address: \_\_\_\_\_  
 City: \_\_\_\_\_ State: \_\_\_\_\_  
 Zip Code: \_\_\_\_\_

Contact Person: \_\_\_\_\_  
 Phone #: \_\_\_\_\_  
 Email: \_\_\_\_\_  
 Fax #: \_\_\_\_\_

Position Title	Entry level? (Y/N)	Work location? (City)	Number of positions available?	Temp or perm?	Estimated Start Date	Attach job description? (Y/N)

Completed by:

\_\_\_\_\_  
 (Contractor Authorized Signature)

\_\_\_\_\_  
 (Print Name)

\_\_\_\_\_  
 (Date)

**Exhibit F-2**  
**FIRST SOURCE REPORTING FORM**

Which quarter are you reporting for	
Number of positions filled during the quarter	
Number of positions posted in the First Source system	
Number of low-income Alameda County residents hired	
Number of low-income Alameda County residents hired through the First Source system (attach printout from First Source system)	
Number of non Alameda County residents hired who are low-income	

**Narrative**

- 1. If there are any positions that were filled but were not posted in the First Source system for at least 10 days before advertising to the general public, please submit a response explaining why the positions were not posted.**
- 2. If any positions were hired outside of First Source, please explain why.**
- 3. Please describe any issues, barriers, or problems related to the implementation of the First Source program.**

**Exhibit F-3**  
**JOB PLACEMENT EMPLOYMENT VERIFICATION FORM**

**This form is used to verify the hiring of a candidate subject to the Alameda County First Source Program.** Please complete and return this form attached to the Quarterly Report after hiring a low-income Alameda County resident, regardless if they were hired in the First Source System or outside the system.

Contractor Name: \_\_\_\_\_  
Project: \_\_\_\_\_  
Quarter Reporting on: \_\_\_\_\_

---

Employee's Full Name: \_\_\_\_\_  
Employee's Household Income prior to Hiring : \_\_\_\_\_  
Employee's Household Size: \_\_\_\_\_  
Employee New Job Title: \_\_\_\_\_ Hourly Wage: \$ \_\_\_\_\_ Benefits Provided: (Yes/No)  
Start Date: \_\_\_\_\_ Projected Termination Date (if applicable) \_\_\_\_\_  
Full Time (36+ hours per week)(Yes/No) \_\_\_\_\_ or Part Time (Less than 36 hours per week)  
(Yes/No)

Employee's Full Name: \_\_\_\_\_  
Employee's Household Income prior to Hiring : \_\_\_\_\_  
Employee's Household Size: \_\_\_\_\_  
Employee New Job Title: \_\_\_\_\_ Hourly Wage: \$ \_\_\_\_\_ Benefits Provided: (Yes/No)  
Start Date: \_\_\_\_\_ Projected Termination Date (if applicable) \_\_\_\_\_  
Full Time (36+ hours per week)(Yes/No) \_\_\_\_\_ or Part Time (Less than 36 hours per week)  
(Yes/No)

Employee's Full Name: \_\_\_\_\_  
Employee's Household Income prior to Hiring : \_\_\_\_\_  
Employee's Household Size: \_\_\_\_\_  
Employee New Job Title: \_\_\_\_\_ Hourly Wage: \$ \_\_\_\_\_ Benefits Provided: (Yes/No)  
Start Date: \_\_\_\_\_ Projected Termination Date (if applicable) \_\_\_\_\_  
Full Time (36+ hours per week)(Yes/No) \_\_\_\_\_ or Part Time (Less than 36 hours per week)  
(Yes/No)

Employee's Full Name: \_\_\_\_\_  
Employee's Household Income prior to Hiring : \_\_\_\_\_  
Employee's Household Size: \_\_\_\_\_  
Employee New Job Title: \_\_\_\_\_ Hourly Wage: \$ \_\_\_\_\_ Benefits Provided: (Yes/No)  
Start Date: \_\_\_\_\_ Projected Termination Date (if applicable) \_\_\_\_\_  
Full Time (36+ hours per week)(Yes/No) \_\_\_\_\_ or Part Time (Less than 36 hours per week)  
(Yes/No)



**Exhibit G**

**COUNTY OF ALAMEDA  
THE IRAN CONTRACTING ACT (ICA) OF 2010**

For Procurements of \$1,000,000 or more

The California Legislature adopted the Iran Contracting Act (ICA) to respond to policies of Iran in a uniform fashion (PCC § 2201(q)). The ICA prohibits persons engaged in investment activities in Iran from bidding on, submitting proposals for, or entering into or renewing contracts with public entities for goods and services of one million dollars (\$1,000,000) or more (PCC § 2203(a)). A person who “engages in investment activities in Iran” is defined in either of two ways:

1. The person provides goods or services of twenty million dollars (\$20,000,000) or more in the energy sector of Iran, including a person that provides oil or liquefied natural gas tankers, or products used to construct or maintain pipelines used to transport oil or liquefied natural gas, for the energy sector of Iran; or
2. The person is a financial institution (as that term is defined in 50 U.S.C. § 1701) that extends twenty million dollars (\$20,000,000) or more in credit to another person, for 45 days or more, if that person will use the credit to provide goods or services in the energy sector in Iran and is identified on a list created by the California Department of General Services (DGS) pursuant to PCC § 2201(b) as a person engaging in the investment activities described in paragraph 1 above.

By signing below, I hereby certify that as of the time of bidding or proposing for a new contract or renewal of an existing contract, neither I nor the company I own or work for are identified on the DGS list of ineligible persons and neither I nor the company I own or work for are engaged in investment activities in Iran in violation of the Iran Contracting Act of 2010.

If either I or the company I own or work for are ineligible to bid or submit a proposal or to renew a contract, but I believe I or it qualifies for an exception listed in PCC § 2202(c), I have described in detail the nature of the exception: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

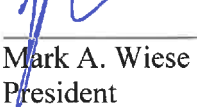
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CONTRACTOR:

COLISEUM TRANSIT VILLAGE ONE, LP,  
a California limited partnership

By: PACH Affordable Holdings, LLC,  
a California limited liability company,  
its managing general partner

By: Pacific Housing, Inc.,  
a California nonprofit public benefit corporation,  
its Sole Member and Manager

By:   
\_\_\_\_\_  
Mark A. Wiese  
President

By: Coliseum Development Partners, LLC,  
a California limited liability company,  
its administrative general partner

By: UrbanCore Development, LLC,  
a California limited liability company,  
its managing member

By: \_\_\_\_\_  
Michael E. Johnson  
President

DATE: \_\_\_\_\_

CONTRACTOR:

COLISEUM TRANSIT VILLAGE ONE, LP,  
a California limited partnership

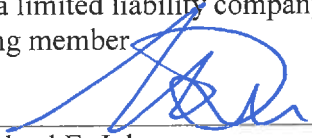
By: PACH Affordable Holdings, LLC,  
a California limited liability company,  
its managing general partner

By: Pacific Housing, Inc.,  
a California nonprofit public benefit corporation,  
its Sole Member and Manager

By: \_\_\_\_\_  
Mark A. Wiese  
President

By: Coliseum Development Partners, LLC,  
a California limited liability company,  
its administrative general partner

By: UrbanCore Development, LLC,  
a California limited liability company,  
its managing member

By:  \_\_\_\_\_  
Michael E. Johnson  
President

DATE: 6/22/18

Project Summary		Sources & Uses		Current Construction	Current Permanent	% of Cost	\$/Unit	\$/NSF
Project Name	Coliseum Connections	Sources						
Address	805 71st Avenue	CMFHC Subordinate Loan	1,250,000	1,250,000	2.2%	11,364	14.02	
City/State	Oakland, California	City Subordinate Loan	12,000,000	12,000,000	21.3%	109,091	134.56	
		Tax Credit Equity	4,335,252	9,841,657	17.4%	89,470	110.35	
Gross Square Feet	102,559	Additional Tax Credit Equity	-	492,082	0.9%	4,473	5.52	
Rental NSF	89,182	RBC Bridge Loan	-	-				
Retail NSF (Owner Managed)	1,000	Total Deferred Dev. Fees	2,410,000	2,486,324	4.4%	22,603	27.88	
		State AHSC Subordinate Loan	-	5,223,012	9.3%	47,482	58.57	
		State AHSC Non-Profit Subordinate Loan	4,675,000	4,675,000	8.3%	42,500	52.42	
		Chase Construction Loan	29,079,323	-	0.0%	-	-	
		Freddie Permanent Loan	-	16,450,000	29.1%	149,545	184.45	
		Additional Permanent Loan (TBD)	-	822,500	1.5%	7,477	9.22	
		Freddie Mac/CDLAC Deposit Refund	-	429,000	0.8%	3,900	4.81	
		Misc. - GP Equity Loan	1,500	1,500	0.0%	14	0.02	
		GP Equity Loan	200,000	-	0.0%	-	-	
		Lease-Up Period Cashflow	-	280,000	0.5%	2,545	3.14	
		County GAP Funding	2,500,000	2,500,000	4.4%	22,727	28.03	
		<b>Total</b>	<b>56,451,075</b>	<b>56,451,075</b>	<b>100.0%</b>	<b>513,192</b>	<b>632.99</b>	
		<b>Uses</b>			<b>% of Cost</b>	<b>\$/Unit</b>	<b>\$/NSF</b>	
		BART Expenses	65,000	65,000	0.1%	591	0.73	
		Hard Construction Costs	43,748,331	43,748,331	77.5%	397,712	490.55	
Residential Units	110	Soft Costs	9,056,600	9,056,600	16.0%	82,333	101.55	
		Development Fee & Overhead	2,800,000	2,800,000	5.0%	25,455	31.40	
Average Unit Size	811 sf	Start-Up and Reserves	473,144	473,144	0.8%	4,301	5.31	
Rent PSF	(See Rent Roll)	Ground Lease Reserve	308,000	308,000	0.5%	2,800	3.45	
		<b>Total</b>	<b>56,451,075</b>	<b>56,451,075</b>	<b>100.0%</b>	<b>513,192</b>	<b>632.99</b>	

1117025184

NO FEE DOCUMENT

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

Alameda County  
Housing and Community Development Department  
224 W. Winton Avenue, Room 108  
Hayward, CA 94544  
Attn: Housing Director

CONFORMED COPY - has not been compared with Original.

2022197572 12/14/2022 01:54 PM 14 PGS



OFFICIAL RECORDS OF ALAMEDA COUNTY  
MELISSA WILK, CLERK-RECORDER  
RECORDING FEES: \$0.00

No fee for recording pursuant to  
Government Code Section 27383 and 27388.1

MODIFICATION TO DEVELOPMENT LOAN AGREEMENT AND REGULATORY  
AGREEMENT  
(Alameda County A1 Bond – Jordan Court)

This modification to the Development Loan Agreement and Regulatory Agreement (the "First Amendment") is dated November 1, 2022, and is between the County of Alameda, a political subdivision of the State of California (the "County"), and Jordan, L.P., a California limited partnership ("Borrower").

RECITALS

A. In connection with a loan of Measure A1 Affordable Housing Bond funds in the amount of Five Million Eight Hundred Thirty-Four Thousand Ninety-Six Dollars (\$5,834,096) (the "County Loan") from the County to Borrower, County and Borrower entered into that certain County Development and Loan Agreement dated August 1, 2020 (the "Loan Agreement"). County and Borrower also entered into a Regulatory Agreement and Declaration of Restrictive Covenants (the "Regulatory Agreement") dated August 1, 2020, and recorded August 14, 2020, as Instrument No. 2020198254 in the Official Records of Alameda County against certain real property located at 1601 Oxford Street, City of Berkeley, County of Alameda, State of California, as more particularly described in Exhibit A (the "Property").

B. Defined terms used but not defined in these recitals are as defined in Article 1 of the Loan Agreement.

C. The County and Borrower now desire to amend the Loan Agreement to clarify the accessibility requirements and annual payment provisions. The County and Borrower also desire to modify the Regulatory Agreement so it will only encumber the Borrower's leasehold interest in the Property and not the Ground Lease fee interest

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by this reference, and the mutual benefits accruing to the parties hereto and other valuable

consideration, the receipt and sufficiency of which consideration is hereby acknowledged, it is hereby declared, understood and agreed as follows:

1. Amendment to Development Loan Agreement Section 2.8(a). Section 2.8(a) of the Loan Agreement is hereby deleted and replaced with the following:

"Section 2.8 Annual Payments. Commencing on May 1, 2023, and on May 1st of each calendar year thereafter through the end of the Term, Borrower shall make repayments of the County Loan equal to the County's Share of Residual Receipts. Payments made shall be credited first against accrued interest and then against outstanding principal."

2. Amendment to Development Loan Agreement Section 3.10(b). Section 3.10(b) of the Loan Agreement is hereby deleted and replaced with the following:

"(b) In compliance with the Accessibility Requirements: (i) a minimum of four (4) units in the Development must be constructed to be fully accessible to households with a mobility impaired member and, (ii) an additional two (2) units in the Development must be fully accessible to hearing and/or visually impaired persons. In compliance with the Accessibility Requirements Borrower shall provide the County with a certification from the Development architect that to the best of the architect's knowledge, the Development complies with all federal and state Accessibility Requirements applicable to the Development."

3. Amendment to Development Loan Agreement Sections 1.1(mmm), 2.4 and 2.6(c). Sections 1.1(mmm), 2.4 and 2.6(c) of the Loan Agreement are revised to state that the Regulatory Agreement will not encumber Ground Lessor's fee interest in the Property and will only encumber the Borrower's interest in the Development.

4. Amendment to Regulatory Agreement and Declaration of Restrictive Covenants. The Joinder and Consent to the Regulatory Agreement is hereby deleted. The Regulatory Agreement is hereby revised to state that it will not encumber Ground Lessor's fee interest in the Property and will only encumber the Borrower's interest in the Development (which includes Borrower's leasehold interest in the Property pursuant to the Ground Lease and Borrower's fee interest in the Improvements). The Borrower represents and warrants that Borrower and Ground Lessor are concurrently entering into an amendment to Ground Lease which provides for certain cure rights and lender protections benefiting the County and which make the County a third-party beneficiary to enforce such rights under the Ground Lease (the "Ground Lease Amendment"). The execution of the Ground Lease Amendment by the Borrower and Ground Lessor are a condition to this Amendment.

5. No other Amendments. Except as otherwise set forth herein, the Loan Agreement and Regulatory Agreement remain unmodified and are in full force and effect.

6. Successors and Assigns. This First Amendment shall be binding on and inure to the benefit of the legal representatives, heirs, successors and assigns of the parties.

7. California Law. This First Amendment shall be governed by and construed in accordance with the laws of the State of California.

8. Counterparts. This First Amendment may be signed by the different parties hereto in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same agreement.

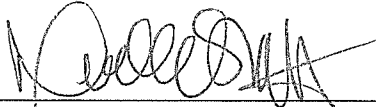
*The rest of the page intentionally left blank.*

**[Signature Pages Follow]**

WHEREAS, this First Amendment has been entered into by the undersigned as of the date first written above.

**COUNTY:**

COUNTY OF ALAMEDA, a political subdivision of the State of California

By:  \_\_\_\_\_

✕ Michelle Starratt, Director  
Housing and Community Development Department

*✕ Michelle Starratt, Director*

**BORROWER:**

JORDAN, L.P., a California limited partnership

By: Jordan GP LLC, a California limited liability company  
Its General Partner

By: Satellite AHA Development, Inc., a California nonprofit  
public benefit corporation, its Member and Manager

By: executed in counterpart  
Susan Friedland, Chief Executive Officer



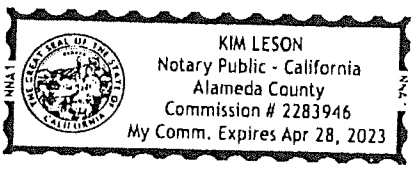
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA                    )  
  )  
COUNTY OF ALAMEDA                 )

On December 5, 2022, before me, Kim LeSon, Notary Public, personally appeared Michelle Starratt, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Kim LeSon  
Name: Kim LeSon, Notary Public

WHEREAS, this First Amendment has been entered into by the undersigned as of the date first written above.

**COUNTY:**

COUNTY OF ALAMEDA, a political subdivision of the State of California

*executed in counterpart*

By: \_\_\_\_\_  
Michelle Starratt, Director  
Housing and Community Development Department

**BORROWER:**

JORDAN, L.P., a California limited partnership

By: Jordan GP LLC, a California limited liability company  
Its General Partner

By: Satellite AHA Development, Inc., a California nonprofit  
public benefit corporation, its Member and Manager

By:  \_\_\_\_\_  
Susan Friedland, Chief Executive Officer

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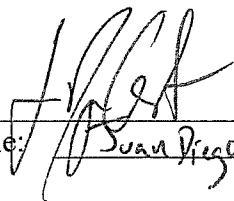
STATE OF CALIFORNIA )  
 )  
COUNTY OF Alameda )

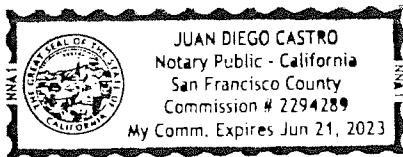
On December 9, 2022, before me, Juan Diego Castro, Notary Public, personally appeared Susan Friedland, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public


Name:   
Juan Diego Castro



JUAN DIEGO CASTRO  
Notary Public – California  
San Francisco County  
Commission # 2294289  
My Comm. Expires Jun 21, 2023

The undersigned ("HSTV"), as lender to the Project, hereby consents to this this Modification to the Development Loan Agreement and Regulatory Agreement between Jordan, L.P. and the County of Alameda dated November 1, 2022 (the "Modification"), and agrees that the Regulatory Agreement and Declaration of Restrictive Covenants between the County and Borrower dated August 1, 2020, as amended by this Modification, shall be the "County Restriction" under the Subordination Agreement dated August 1, 2020 between the County of Alameda and HSTV and recorded on August 14, 2020 in Official Records of Alameda County under Recorder's Serial Number 2020198263 (the "Subordination Agreement"). The County Restrictions are not subordinated to the Senior Loan Documents (as defined in the Subordination Agreement).

Housing Trust Silicon Valley  
A California nonprofit public benefit corporation

By:  \_\_\_\_\_

Prathit Thaker

Its: Chief Credit Officer

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

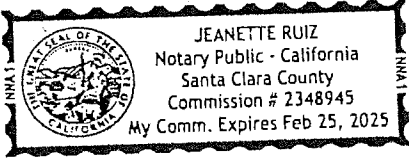
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California  
County of SANTA CLARA  
On DEC 13, 2022 before me, JEANETTE RUIZ  
Date Here Insert Name and Title of the Officer  
personally appeared PRATHIT THAKER  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature [Handwritten Signature]  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_ Document Date: \_\_\_\_\_  
Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

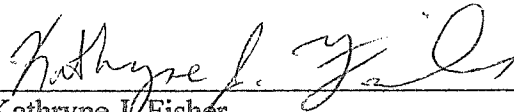
Signer's Name: \_\_\_\_\_  
 Corporate Officer -- Title(s): \_\_\_\_\_  
 Partner --  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_  
 Corporate Officer -- Title(s): \_\_\_\_\_  
 Partner --  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_

The undersigned ("SVB"), as lender of Affordable Housing Program Funds ("AHP Funds"), hereby consents to this this Modification to the Development Loan Agreement and Regulatory Agreement between Jordan, L.P. and the County of Alameda dated November 1, 2022 (the "Modification"), and agrees that the AHP Construction Leasehold Deed of Trust dated August 1, 2020 and recorded on August 14, 2020, Instrument No. 2020198262 in the Official Records of Alameda County is subject and subordinate to the Regulatory Agreement and Declaration of Restrictive Covenants dated August 1, 2020 between the County and Borrower, as amended by this Modification.

LENDER:

SILICON VALLEY BANK,

By:   
\_\_\_\_\_  
Kathryne J. Fisher  
Director  
Silicon Valley Bank

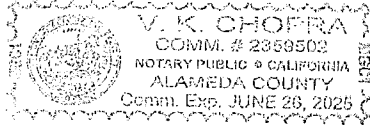
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 )  
COUNTY OF ALAMEDA )


On DEC. 05, 2022, before me, V. K. CHOPRA, Notary Public, personally appeared KATHRYNE J. FISHER who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Notary Public

  
Name: V. K. CHOPRA

Restricted

The undersigned ("City") hereby consents to this this Modification to the Development Loan Agreement and Regulatory Agreement between Jordan, L.P. and the County of Alameda dated November 1, 2022 (the "Modification"), and agrees that the Leasehold Deed of Trust Assignment of Rents Security Agreement and Fixture Filing dated June 15, 2020 and recorded on August 14, 2020, Instrument No. 2020198260 in the Official Records of Alameda County is subject and subordinate to the Regulatory Agreement and Declaration of Restrictive Covenants dated August 1, 2020 between the County and Borrower, as amended by this Modification.

City of Berkeley, a California municipal corporation

By: Paul Buddenhagen

PAUL BUDDENHAGEN, Authorized Signer



**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

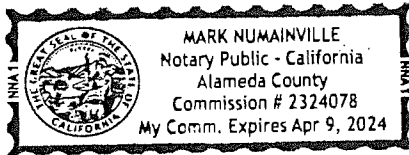
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }  
County of Alameda }

On December 9, 2022 before me, Mark Numainville, Notary Public  
Date Here Insert Name and Title of the Officer

personally appeared Paul Buddenhagen  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/hers/their authorized capacity(ies), and that by his/hers/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Mark Numainville  
Signature of Notary Public

Place Notary Seal and/or Stamp Above

**OPTIONAL**

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: A1 Loan Amended Agreement - 1601 Oxford

Document Date: 12-9-2022 Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

- Signer's Name: \_\_\_\_\_
- Corporate Officer – Title(s): \_\_\_\_\_
- Partner –  Limited  General
- Individual  Attorney in Fact
- Trustee  Guardian of Conservator
- Other: \_\_\_\_\_

- Signer's Name: \_\_\_\_\_
- Corporate Officer – Title(s): \_\_\_\_\_
- Partner –  Limited  General
- Individual  Attorney in Fact
- Trustee  Guardian of Conservator
- Other: \_\_\_\_\_

Signer is Representing: \_\_\_\_\_

Signer is Representing: \_\_\_\_\_

## **EXHIBIT A**

The land referred to is situated in the County of Alameda, City of Berkeley, State of California, and is described as follows:

**All that real property situated in the City of Berkeley, County of Alameda, State of California, being all of Lots 24 and 25 in Block 3, as said Lots and Block are shown upon that certain Map entitled "Map of the Martin Kellogg Property, Berkeley, Alameda County, California", filed April 8, 1904 in Book 19 of Maps at Page 35, in the Office of the County Recorder of Alameda County, more particularly described as follows:**

**BEGINNING at the point of intersection of the Southern line of Cedar Street with the Eastern line of Oxford Street, as said Streets are shown on said Map, running thence Southerly along said line of Oxford Street 100 feet; thence at right angles Easterly 135 feet to the Eastern line of said Lot 24; thence at right angles Northerly 109.91 feet to the Southern line of Cedar Street; thence Westerly along said line of Cedar Street, 135.36 feet to the POINT OF BEGINNING.**

**Being Parcel 2, as shown on the Lot Line Adjustment recorded August 11, 2020, Instrument No. 2020193731, Alameda County Records.**

**APN: 058-2183-001-01**

Recorded at the Request of  
Old Republic Title Company-  
Oakland

117021972

No fee per GC27388.1; recorded in  
connection with concurrent transfer  
subject to imposition of  
documentary transfer tax

CERTIFIED A TRUE COPY OF THE ORIGINAL  
RECORDED IN THE OFFICIAL RECORDS OF  
ALAMEDA COUNTY ON **August 14, 2020**  
Under Recorder's Serial No. **2020198254**  
Old Republic Title Company – Oakland  
By: S.Bohrer

NO FEE DOCUMENT

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

Alameda County  
Housing and Community Development Department  
224 W. Winton Avenue, Room 108  
Hayward, CA 94544  
Attn: Housing Director

No fee for recording pursuant to  
Government Code Section 27383 and 27388.1

---

REGULATORY AGREEMENT AND  
DECLARATION OF RESTRICTIVE COVENANTS  
(Alameda County A1 Bond – Jordan Court)

This Regulatory Agreement and Declaration of Restrictive Covenants (the "Agreement") is dated August 1, 2020, and is between the County of Alameda, a political subdivision of the State of California (the "County"), and JORDAN, L.P., a California limited partnership ("Borrower"). All Souls Episcopal Parish in Berkeley, a California non-profit religious corporation ("Ground Lessor") is also executing the consent and joinder to this Agreement.

RECITALS

A. Capitalized terms used but not defined in these recitals are as defined in Article 1 of this Agreement.

B. Borrower is leasing certain real property located at 1601 Oxford Street, in the City of Berkeley, County of Alameda, State of California, as further described on the attached Exhibit A incorporated herein (the "Property") pursuant to that certain Ground lease between the Borrower and the Ground Lessor dated August 1, 2020, (the "Ground Lease").\*

C. Borrower intends to develop thirty-five (35) units of housing affordable to seniors (including one (1) manager's unit) as well as attendant site improvements including two guest units, administrative space, shared conference space and 13 parking spaces to be leased to the Ground Lessor (collectively, the "Improvements") on the Property. The Property and the Improvements are collectively referred to as the "Development."

D. On November 8, 2016, the voters in the County passed the Measure A1 Affordable Housing Bond (the "County A1 Bond"), which provides for the issuance of bonds for affordable housing programs countywide ("A1 Bond Funds").

E. Borrower is borrowing from the County Five Million Eight Hundred Thirty Four Thousand Ninety Six Dollars (\$5,834,096) in A1 Bond Funds (the "County Loan"). The A1

\* Recording Concurrently Herewith

Bond Funds were approved by the County on February 5, 2019, by Resolution Number R2019-70. The A1 Bond Funds are being loaned to Borrower to further the purposes of the County A1 Bond.

F. Subject to the terms of the Loan Agreement, the County has agreed to make the County Loan to Borrower on the condition that the Development be maintained and operated in accordance with restrictions concerning affordability, operation, and maintenance of the Development, as specified in this Agreement, the Loan Agreement, and the Implementation Policies.

G. In consideration of receipt of the County Loan at an interest rate substantially below the market rate, Borrower has further agreed to observe all the terms and conditions set forth below.

H. In order to ensure that the entire Development will be used and operated in accordance with these conditions and restrictions, County and Borrower wish to enter into this Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals, incorporated herein by this reference, and the covenants and promises contained in this Agreement, the receipt and sufficiency of which are hereby acknowledged, the County and Borrower hereby agree as follows:

## ARTICLE 1 DEFINITIONS

### Section 1.1 Definitions.

When used in this Agreement, the following terms have the following meanings:

(a) "20% AMI Household" means a household with a 20% Income Level as published by TCAC, or if TCAC does not publish such level, a household with an Adjusted Income that does not exceed twenty percent (20%) of Area Median Income.

(b) "20% Units" means the Units which, pursuant to Section 2.1, below, are required to be occupied by 20% AMI Households.

(c) "30% AMI Household" means a household with a 30% Income Level as published by TCAC, or if TCAC does not publish such level, a household with an Adjusted Income that does not exceed thirty percent (30%) of Area Median Income.

(d) "30% Units" means the Units which, pursuant to Section 2.1, below, are required to be occupied by 30% AMI Households.

(e) "50% AMI Household" means a household with a 50% Income Level as published by TCAC, or if TCAC does not publish such level, a household with an

Adjusted Income that does not exceed fifty percent (50%) of Area Median Income.

(f) "50% Units" means the Units which, pursuant to Section 2.1, below, are required to be occupied by 50% AMI Households.

(g) "60% AMI Household" means a household with a 60% Income Level as published by TCAC, or if TCAC does not publish such level, a household with an Adjusted Income that does not exceed sixty percent (60%) of Area Median Income.

(h) "60% Units" means the Units which, pursuant to Section 2.1, below, are required to be occupied by 60% AMI Households.

(i) "Accessibility Requirements" has the meaning set forth in Section 2.1(g).

(j) "Actual Household Size" means the actual number of persons in the applicable household.

(k) "Adjusted Income" means with respect to the Tenant of each County-Assisted Unit, the income from all persons in the household including nonrelated individuals, calculated using the methods to calculate income adopted by TCAC.

(l) "Agreement" means this Regulatory Agreement and Declaration of Restrictive Covenants.

(m) "Annual Operating Budget" has the meaning set forth in Section 4.8(a).

(n) "Annual Operating Expenses" has the meaning set forth in Section 1.1 of the Loan Agreement.

(o) "Area Median Income" means the median gross yearly income, adjusted for Actual Household Size as specified herein, in the County of Alameda, California as published from time to time by HUD. In the event that such income determinations are no longer published, or are not updated for a period of at least eighteen (18) months, the County shall provide Borrower with other income determinations that are reasonably similar with respect to methods of calculation to those previously published by HUD.

(p) "Borrower" has the meaning set forth in the first paragraph of this Agreement.

(q) "City" means the City of Berkeley, California.

(r) "County A1 Bond" has the meaning set forth in Recital D.

(s) "County Loan" has the meaning set forth in Recital E.

(t) "County-Assisted Units" means each of the thirty-four (34) Units restricted by the County as a condition of loaning the A1 Bond Funds.

(u) "Deed of Trust" means the deed of trust dated of even date herewith, by and among Borrower, as trustor, Old Republic Title Company, Inc., as trustee, and the County, as beneficiary, to be recorded against Borrower's interest in the Property to secure repayment of the Note and the performance by Borrower under the Loan Agreement and this Agreement.

(v) "Development" has the meaning set forth in Recital C.

(w) "Development Regulatory Documents" has the meaning set forth in Section 4.2(a).

(x) "Gross Revenue" has the meaning set forth in Section 1.1 of the Loan Agreement.

(y) "Ground Lease" is defined in Recital B.

(z) "Ground Lessor" is defined in the first paragraph of this Agreement.

(aa) "Housing Director" means the Housing Director of the County Housing and Community Development Department or his or her designee.

(bb) "HUD" means the United States Department of Housing and Urban Development.

(cc) "Implementation Policies" means the Measure A1 Implementation Policies adopted by the County Board of Supervisors on November 7, 2017, as such may be updated from time to time, which set forth the Rental Housing Development Fund requirements.

(dd) "Improvements" has the meaning set forth in Recital C.

(ee) "Loan Agreement" means the County Development Loan Agreement entered into by and between the County and Borrower dated of even date herewith.

(ff) "Loan Documents" means the documents executed by Borrower evidencing the County Loan including the Note, the Loan Agreement, the Deed of Trust and all other documents evidencing or securing the County Loan between Borrower and the County or by Borrower for the benefit of the County, as each may be amended.

(gg) "Marketing Plan" has the meaning set forth in Section 4.4(a).

(hh) "Note" means the promissory note executed by Borrower in favor of the County, dated of even date herewith, evidencing the County Loan.

4.9(b) below. (ii) "Operating Reserve Account" has the meaning set forth in Section

(jj) "Partnership Agreement" has the meaning set forth in Section 1.1 of the Loan Agreement.

(kk) "Permanent Closing" has the meaning set forth in Section 1.1 of the Loan Agreement.

(ll) "Permanent Financing" has the meaning set forth in Section 1.1 of the Loan Agreement.

(mm) "Property" has the meaning set forth in Recital B.

(nn) "Rent" means the total of monthly payments by the Tenant of a Unit for the following: use and occupancy of the Unit and land and associated facilities, including parking; any separately charged fees or service charges assessed by Borrower that are customarily charged in rental housing and required of all Tenants, other than security deposits; an allowance for the cost of an adequate level of service for utilities paid by the Tenant, including garbage collection, sewer, water, electricity, gas and other heating, cooking and refrigeration fuel, but not telephone service or cable TV; and any other interest, taxes, fees or charges for use of the land or associated facilities and assessed by a public or private entity other than Borrower, and paid by the Tenant.

(oo) "Rental Subsidy" has the meaning set forth in Section 2.6(a) below.

(pp) "Replacement Reserve Account" has the meaning set forth in Section 4.9(a) below.

(qq) "Resident Services Budget" has the meaning set forth in Section 4.6(a) below.

(rr) "Resident Services Plan" has the meaning set forth in Section 4.6(a) below.

(ss) "Subsidy Units" has the meaning set forth in Section 2.6(a) below.

(tt) "TCAC" means the California Tax Credit Allocation Committee.

(uu) "TCAC 20% Rent" means the maximum rent published by TCAC for a "20% AMI Household" in Alameda County for the applicable bedroom size.

(vv) "TCAC 30% Rent" means the maximum rent published by TCAC for a "30% AMI Household" in Alameda County for the applicable bedroom size.

(ww) "TCAC 50% Rent" means the maximum rent published by TCAC for a "50% AMI Household" in Alameda County for the applicable bedroom size.

(xx) "TCAC 60% Rent" means the maximum rent published by TCAC for a "60% AMI Household" in Alameda County for the applicable bedroom size.

(yy) "Tenant" means a household legally occupying a Unit pursuant to a valid lease with Borrower.

(zz) "Tenant Selection Plan" has the meaning set forth in Section 4.5(a).

(aaa) "Term" means the term of this Agreement which commences as of the date of this Agreement, and unless sooner terminated pursuant to the terms of this Agreement, ends on the later of: (i) fifty-five (55) years after Permanent Closing, or (ii) repayment in full of the County Loan and all interest due thereon.

(bbb) "Unit" means one or all of the thirty-five (35) units in the Development, including the manager's unit.

## ARTICLE 2 AFFORDABILITY AND OCCUPANCY COVENANTS

### Section 2.1 Occupancy Requirements.

(a) 20% Units. During the Term Borrower shall cause seven (7) of the County-Assisted Units to be rented to and occupied by, or, if vacant, available for occupancy by, 20% AMI Households.

(b) 30% Units. During the Term Borrower shall cause five (5) of the County-Assisted Units to be rented to and occupied by, or, if vacant, available for occupancy by, 30% AMI Households.

(c) 50% Units. During the Term Borrower shall cause eleven (11) of the County-Assisted Units to be rented to and occupied by, or, if vacant, available for occupancy by, 50% AMI Households.

(d) 60% Units. During the Term Borrower shall cause eleven (11) of the County-Assisted Units to be rented to and occupied by, or, if vacant, available for occupancy by, 60% AMI Households.

(e) Manager's Unit. One unrestricted (1) Unit is to be available for designation as the manager's unit, which shall be exempt from the occupancy and rest restrictions set forth in this agreement.

(f) Intermingling of Units. Borrower shall cause the County-Assisted Units to be intermingled throughout the Development and be of comparable quality to all other Units. Tenants in all Units shall have equal access to and enjoyment of all common facilities in



the Development. The County-Assisted Units must be at or below the designated income percentages and of the bedroom size set forth in the following chart:

	20% Units	30% Units	50% Units	60% Units	Manager's Unit	Total Units
Studio	7	5	11	11		34
Two-Bedroom					1	1
Total	7	5	11	11		35

(g) Disabled Persons Occupancy.

(1) Borrower shall cause the Development to be operated at all times in compliance with all applicable federal, state, and local disabled persons accessibility requirements including, but not limited to the applicable provisions of: (i) the Unruh Act, (ii) the California Fair Employment and Housing Act, (iii) Section 504 of the Rehabilitation Act of 1973, (iv) the United States Fair Housing Act, as amended, (v) the Americans With Disabilities Act of 1990, and (vi) Chapters 11A and 11B of Title 24 of the California Code of Regulations, which relate to disabled persons access (collectively, the "Accessibility Requirements").

(2) Borrower shall indemnify, protect, hold harmless and defend (with counsel reasonably satisfactory to the County) the County, and its board members, officers and employees, from all suits, actions, claims, causes of action, costs, demands, judgments and liens arising out of Borrower's failure to comply with the Accessibility Requirements. This obligation to indemnify survives termination of this Agreement, repayment of the County Loan and the reconveyance of the Deed of Trust.

(h) Senior Housing.

Borrower has elected to operate the Development as a senior housing development and as such to require all Units in the Development, except for the resident manager's unit, to be occupied or held available for occupancy by households containing "elderly" or "senior citizen" residents. Borrower shall operate the Development at all times in compliance with the provisions of: (i) the Unruh Act, (ii) the United States Fair Housing Act, as amended, and (iii) the California Fair Employment and Housing Act, which relate to lawful senior housing. Borrower shall develop and implement appropriate age verification procedures to ensure compliance with the requirements of this Section. Borrower shall provide the County with a copy of its written verification procedures. Borrower shall indemnify, protect, hold harmless and defend (by counsel reasonably satisfactory to the County) the County, and its boardmembers, officers and employees, from all suits, actions, claims, causes of action, costs, demands, judgments and liens arising out of Borrower's failure to comply with applicable legal requirements related to housing for seniors. The provisions of this subsection will survive expiration of the Term or other termination of this County Regulatory Agreement, and remain in full force and effect

Section 2.2 Allowable Rent.

(a) 20% Units. Subject to the provisions of Section 2.3 below, Rent paid by Tenants of the 20% Units shall not exceed the TCAC 20% Rent for the applicable bedroom size.

(b) 30% Units. Subject to the provisions of Section 2.3 below, Rent paid by Tenants of the 30% Units shall not exceed the TCAC 30% Rent for the applicable bedroom size.

(a) 50% Units. Subject to the provisions of Section 2.3 below, Rent paid by Tenants of the 50% Units shall not exceed the TCAC 50% Rent for the applicable bedroom size.

(b) 60% Units. Subject to the provisions of Section 2.3 below, Rent paid by Tenants of the 60% Units shall not exceed the TCAC 60% Rent for the applicable bedroom size.

(c) No Additional Fees. Borrower shall not charge any fee, other than Rent, to any resident of the County-Assisted Units for any housing or other services provided by Borrower.

Section 2.3 Rent Increases; Increased Income of Tenants.

(a) Rent Increases. Initial Rents and subsequent Rents for all County-Assisted Units are subject to County approval. Notwithstanding the foregoing, the County's review and approval of Rents and Rent increases shall be limited to determining that such Rents and Rent increases comply with the requirements of this Regulatory Agreement. All Rent increases for all County-Assisted Units are also subject to County approval. No later than sixty (60) days prior to the proposed implementation of any Rent increase affecting a County-Assisted Unit, Borrower shall submit to the County a schedule of any proposed increase in the Rent charged for County-Assisted Units. Rents may not be increased more often than once every twelve (12) months and by no more than five percent (5%) per year. Borrower shall provide each Tenant with at least sixty (60) days written notice of any increase in Rent applicable to such Tenant, following completion of the County approval process set forth above.

(b) County-Assisted Units.

(1) Increased Income of a 20% AMI Household Above the Limit for a 20% AMI Household but Below Limit for a 30% AMI Household. Subject to Subsection (a), in the event that, upon recertification of the income of a Tenant of a 20% Unit, Borrower determines that the income of the Tenant has increased to above the qualifying limit of a 20% AMI Household, but below the qualifying limit of a 30% AMI Household, the Tenant may continue to occupy the Unit and the Tenant's Rent will remain at the TCAC 20% Rent. Borrower shall then rent the next available Unit to a 20% AMI Household, at a Rent not exceeding the maximum Rent specified in Section 2.2(a). At the time that Borrower rents the

next available unit to a 20% AMI Household, the Unit with the over-income 20% AMI Household may be re-designated as a 30% Unit consistent with the current income level of the Tenant, and as necessary to comply with the Unit mix requirements of Section 2.1 above, and at the time of such re-designation, such over-income Tenant's Rent may be increased to match the new designation subject to Section 2.3(a).

(2) Increased Income of a 20% AMI Household or a 30% AMI Household Above the Limit for a 30% AMI Household but Below Limit for a 50% AMI Household. Subject to Subsection (a), in the event that, upon recertification of the income of a Tenant of a 20% Unit or a 30% Unit, Borrower determines that the income of the Tenant has increased to above the qualifying limit of a 30% AMI Household, but below the qualifying limit of a 50% AMI Household, the Tenant may continue to occupy the Unit and the Tenant's Rent will remain at the TCAC 20% Rent or the TCAC 30% Rent, as applicable. Borrower shall then rent the next available Unit to a 20% AMI Household or 30% AMI Household, as applicable at a Rent not exceeding the maximum Rent specified in Section 2.2(a) or (b), as applicable. At the time that Borrower rents the next available unit to a 20% AMI Household or 30% AMI Household, as applicable, the Unit with the over-income 20% AMI Household or 30% AMI Household may be re-designated a 50% Unit consistent with the current income level of the Tenant, and as necessary to comply with the Unit mix requirements of Section 2.1 above and at the time of such re-designation, such over-income Tenant's Rent may be increased to match the new designation subject to Section 2.3(a).

(3) Increased Income of a 20% AMI, 30% AMI Household or 50% AMI Household Above the Limit for a 50% AMI Household but Below Limit for a 60% AMI Household. Subject to Subsection (a), in the event that, upon recertification of the income of a Tenant of a 20% Unit, 30% Unit or 50% Unit, Borrower determines that the income of the Tenant has increased to above the qualifying limit of a 50% AMI Household, but below the qualifying limit of a 60% AMI Household, the Tenant may continue to occupy the Unit and the Tenant's Rent will remain at the TCAC 20% Rent, TCAC 30% Rent or TCAC 50% Rent as applicable. Borrower shall then rent the next available Unit to a 20% AMI Household, 30% AMI Household or 50% AMI Household, as applicable, at a Rent not exceeding the maximum Rent specified in Section 2.2 (a), (b) or (c), as applicable. At the time that Borrower rents the next available unit to a 20% AMI Household, 30% AMI Household or 50% AMI Household, the Unit with the over-income 20% AMI Household, 30% AMI Household or 50% AMI Household may be re-designated a 60% Unit consistent with the current income level of the Tenant, and as necessary to comply with the Unit mix requirements of Section 2.1 above and at the time of such re-designation, such over-income Tenant's Rent may be increased to match the new designation subject to Section 2.3(a).

(c) Non-Qualifying Households. Subject to Subsection (a), if, upon recertification of the income of a Tenant of a County-Assisted Unit, Borrower determines that a Tenant of a County-Assisted Unit has an Adjusted Income exceeding the maximum qualifying income for a 60% AMI Household, such Tenant shall be permitted to continue occupying the County-Assisted Unit and upon sixty (60) days written notice, the Rent may be increased to one-twelfth (1/12<sup>th</sup>) of thirty percent (30%) of the actual Adjusted Income of the Tenant, and Borrower shall rent the next available Unit to a 20% AMI Household, 30% AMI Household,

50% AMI Household, or 60% AMI Household as applicable, at a Rent not exceeding the maximum Rent specified in Section 2.2.

(d) Termination of Occupancy. Upon termination of occupancy of a County-Assisted Unit by a Tenant, such Unit shall be deemed to be continuously occupied by a household of the same income level as the initial income level of the vacating Tenant, until such Unit is reoccupied, at which time the income character of such Unit will be redetermined to meet the occupancy requirements of Section 2.1 above.

#### Section 2.4 Income and Rent Calculations.

In the event that TCAC no longer publishes the income and rent information that this Agreement contemplates that TCAC will publish, respectively, the County shall provide Borrower with other income and rent determinations which are reasonably similar with respect to methods of calculation to those previously published by TCAC, as applicable.

#### Section 2.5 Monitoring Fee.

In connection with the restrictions imposed by this Agreement, the County shall charge Borrower and Borrower shall pay a monitoring fee in the amount of Three Hundred Dollars (\$300) per County-Assisted Unit per year due and payable on the date that Borrower is required to make a County Loan payment to the County in accordance with the Loan Agreement.

#### Section 2.6 Loss of Subsidy.

(a) It is anticipated that certain Units in the Development (the "Subsidy Units") will receive Project-Based Section 8 or other rental subsidies (the "Rental Subsidy") throughout the Term, as reflected in the budget for the Development approved by the County. If any change in federal law occurs, or any action (or inaction) by Congress or any federal or state agency occurs, which results in a material reduction, termination or nonrenewal of the Rental Subsidy through no fault of the Borrower, such that the Rental Subsidy shown on the budget for the Development approved by the County is no longer available, Borrower shall, in anticipation of such loss in Rental Subsidy, use good faith efforts for a period of sixty (60) days, to obtain alternative sources of rental subsidies and shall provide the County weekly progress reports on Borrower's efforts to obtain alternative sources of rental subsidies.

(b) If at the end of such sixty (60) day period Borrower is unable to secure an alternate source of rental subsidy, notwithstanding Section 2.3, Borrower may increase the Rent on one or more of the County-Assisted Units that overlap with a Subsidy Unit, to the TCAC 60% Rent, subject to the following requirements:

(1) Any such Rent increase must be pursuant to a transition plan approved by the County showing how the Rent increase will be phased-in, and which County-Assisted Units will be subject to the increase, and, if applicable, be consistent with remedial measures set forth in California Code of Regulations Title 4, Division 17, Chapter 1, Section

10337(a)(3) or successor regulation applicable to California's Federal and State Low Income Housing Tax Credit Program;

(2) At the time Borrower requests an increase in the Rent, Borrower shall provide the County with a copy of the proposed Annual Operating Budget showing the impact of the loss or reduction of the Rental Subsidy;

(3) Any subsequent Rent increases remain subject to Section 2.3(a) above;

(4) The number of County-Assisted Units subject to the Rent increase and the level of rent increase may not be greater than the amount required to ensure that the Development generates sufficient income to cover its operating costs and debt service as shown on the Annual Operating Budget, and as is necessary to maintain the financial stability of the Development; and

(5) Borrower shall continue to use good faith efforts to obtain alternative sources of rental subsidies and shall provide the County with annual progress reports on efforts to obtain alternative sources of rental subsidies that would allow the rents on the County-Assisted Units to be reduced back to the Rents set out in 0. Upon receipt of any alternative rental subsidies, Borrower shall reduce the income levels (at vacancy) and rents on the County-Assisted Units back to the income levels and rents set out in 0, to the extent that the alternative rental subsidies provide sufficient income to cover the operating costs and debt service of the Development as shown on the Annual Operating Budget.

#### Section 2.7 Rent Increases on Foreclosure.

Notwithstanding Section 2.3, in the event that a Senior Lender (as defined in the Loan Agreement) forecloses on the Development (or receives a deed in lieu of foreclosure), the Rents on one or more of the County-Assisted Units may be increased to the TCAC 60% Rent and the income levels set forth in Section 2.1 may be increased to 60% AMI Households (at vacancy) to maintain the financial feasibility of the Development, subject to the following requirements:

(a) Any such income and/or Rent increase must be pursuant to a transition plan approved by the County showing: (i) how the income and/or Rent increase will be phased-in; (ii) which County-Assisted Units will be subject to the increase; and (iii) the operating income and expenses for the Development comparing the current rent structure to the proposed rent structure;

(b) The number of County-Assisted Units subject to the Rent increase and the level of rent increase may not be greater than the amount required to ensure that the Development generates sufficient income to cover its operating costs and debt service, and as is necessary to maintain the financial stability of the Development; and

The Rent increase may occur only at the time of renewal of the term of the lease of an existing Tenant or the time of leasing a County-Assisted Unit to a new Tenant. The income level

increase may occur only upon vacancy of the County-Assisted Unit. Any subsequent Rent increases remain subject to Section 2.3 above.

### ARTICLE 3 INCOME CERTIFICATION; REPORTING; RECORDS

#### Section 3.1 Income Certification.

(a) Borrower shall obtain, complete, and maintain on file, immediately prior to initial occupancy and annually thereafter, income certifications from each Tenant renting any of the County-Assisted Units. Borrower shall make a good faith effort to verify that the income provided by an applicant or occupying household in an income certification is accurate by taking two (2) or more of the following steps as a part of the verification process: (i) obtain a pay stub for the most recent two (2) months of pay period; (ii) obtain an income tax return for the most recent tax year; (iii) conduct a credit agency or similar search; (iv) obtain an income verification form from the applicant's current employer verifying employment for the last two (2) months; (v) obtain an income verification form from the Social Security Administration and/or the California Department of Social Services if the applicant receives assistance from either of such agencies; or (vi) if the applicant is unemployed and has no such tax return, obtain another form of independent verification.

(b) Borrower shall also complete and/or have the Tenants of the County-Assisted Units complete and sign the "Income Computation and Certification" and the "Owner's Certification of Household Income" both of which are attached hereto as Exhibit B, or any other form approved by the County, and/or any other forms related to Tenants' income provided to Borrower by the County or that provide income information that is sufficient to determine an applicant's income as required by this Section. Copies of Tenant income certifications shall be made available to the County upon request.

#### Section 3.2 Target Population Priority.

Borrower shall make good faith efforts to target the occupancy of the Units as follows: seven (7) Units for homeless households. Borrower shall also cause the Development to be lawful housing for senior citizens consistent with California Civil Code Section 51 et seq and other applicable laws.

#### Section 3.3 Resident/Workforce Priority.

To the extent permitted by law, and consistent with the Implementation Policies, Borrower shall give a priority in the rental of the County-Assisted Units to eligible households in which at least one member lives or works in the County. City or district level preferences are not permitted unless expressly approved by the County in writing consistent with the Implementation Policies. Borrower's Marketing Plan and Tenant Selection Plan must reflect County-wide outreach in order to satisfy this requirement. The preference stated in this section is in addition to the preference stated in Section 3.2, above, and applies to the rentals of the County-Assisted Units throughout the Term. Borrower shall not, without the prior written consent of the County, give any other preference to any particular class or group of persons in renting the County-

Assisted Units, except to the extent that the County-Assisted Units are required to be leased to eligible households pursuant to the requirements concerning the applicable provisions of any project based vouchers provided to the Development.

Section 3.4 Reporting Requirements.

Upon completion of the construction, Borrower shall submit to the County quarterly Development status reports for the first year of Development operation no later than ninety (90) days after the end of each quarter. Thereafter, Borrower shall submit to the County annual reports in a form approved by the County, no later than one hundred twenty (120) days after the end of Borrower's fiscal year. The reports shall contain such information as the County may require, including, but not limited to, the following:

(a) A statement of the fiscal condition of the Development, including a financial statement indicating surpluses or deficits in operating accounts for the period covered, a detailed itemized listing of income and expenses, and the amounts of any Development reserves. The report due after the end of each fiscal year shall contain an audited version of this statement. Such audit shall be prepared in accordance with the requirements of the County and certified at the Development's expense by an independent Certified Public Accountant licensed by the State of California. Borrower shall also follow audit requirements of the Single Audit Act and 2 C.F.R. Part 200.

(b) The substantial physical defects in the Development, if any, including a description of any major repair or maintenance work undertaken in the reporting period.

(c) The occupancy of the Development indicating:

(1) A listing of current Tenants' names, income levels, Rent charged and paid, move-in dates, and the race and ethnic groups of Tenants;

(2) A listing of the Tenants in the targeted group identified in Section 3.2 above;

(3) The number of applicants denied/accepted for tenancy with a household member with criminal convictions, along with the basis of denials;

(4) The number of Tenants receiving services for each year and an assessment of compliance with the Resident Services Plan; and

(5) General management performance, including Tenant relations and other relevant information.

Upon request of the County, Borrower shall furnish, within fifteen (15) days, copies of all Tenant agreements for the County-Assisted Units. Within fifteen (15) days after receipt of a written request from the County, Borrower shall also submit any other information or completed

forms requested by the County (provided, however, that Borrower shall in no event be obligated to provide any information that it cannot legally obtain as a housing provider).

Section 3.5 Additional Information.

Borrower shall provide any additional information reasonably requested by the County. The County shall have the right to examine and make copies of all books, records or other documents of Borrower which pertain to the Development upon reasonable advanced notice.

Section 3.6 Tenant Records.

Borrower shall maintain complete, accurate and current records pertaining to the income and household size of Tenants. All Tenant lists, applications and waiting lists relating to the Development shall at all times be kept separate and identifiable from any other business of Borrower and shall be maintained as required by the County, in a reasonable condition for proper audit and subject to examination during business hours by representatives of the County. Borrower shall retain copies of all materials obtained or produced with respect to occupancy of the County-Assisted Units for a period of at least five (5) years. The County may examine and make copies of all books, records or other documents of Borrower that pertain to the Tenants.

Section 3.7 Development Records.

(a) Borrower shall keep and maintain at the principal place of business of the Borrower set forth in Section 6.11 below, or elsewhere with the County's written consent, full, complete and appropriate books, records and accounts relating to the Development. Borrower shall cause all books, records and accounts relating to its compliance with the terms, provisions, covenants and conditions of the Loan Documents to be kept and maintained in accordance with generally accepted accounting principles consistently applied, and to be consistent with requirements of this Agreement. Borrower shall cause all books, records, and accounts to be open to and available for inspection and copying by the County, its auditors or other authorized representatives at reasonable intervals during normal business hours. Borrower shall cause copies of all tax returns and other reports that Borrower may be required to furnish to any government agency to be open for inspection by the County at all reasonable times at the place that the books, records and accounts of Borrower are kept. Borrower shall preserve such records for a period of not less than five (5) years after their creation in compliance with all County records and accounting requirements. If any litigation, claim, negotiation, audit exception, monitoring, inspection or other action relating to the use of the County Loan is pending at the end of the record retention period stated herein, then Borrower shall retain the records until such action and all related issues are resolved. Borrower shall cause the records to include all invoices, receipts, and other documents related to expenditures from the County Loan funds. Such records are to include but are not limited to:

(1) Records providing a full description of the activities undertaken with the use of the County Loan funds;

(2) Records demonstrating compliance with the affordability and income requirements for Tenants;



(3) Records documenting compliance with the fair housing, equal opportunity, and affirmative fair marketing requirements;

(4) Records demonstrating compliance with applicable relocation requirements which must be retained for at least five (5) years after the date by which persons displaced from the Property have received final payments; and

(5) Records demonstrating compliance with Section 3 (as defined in Section 4.10(b)(9)), and labor requirements, including (a) certified payrolls from Borrower's general contractor evidencing that applicable prevailing wages have been paid and (b) prevailing wage monitoring reports in a form approved by the County.

(6) Financial and other records as required by 2 C.F.R. Part 200.

The County shall notify Borrower of any records it deems insufficient. Borrower shall have fifteen (15) days after the receipt of such a notice to correct any deficiency in the records specified by the County in such notice, or if a period longer than fifteen (15) days is reasonably necessary to correct the deficiency, then Borrower shall begin to correct the deficiency within fifteen (15) days and correct the deficiency as soon as reasonably possible.

#### ARTICLE 4 OPERATION OF THE DEVELOPMENT

##### Section 4.1 Residential Use.

The Development shall be operated only for residential use. No part of the Development shall be operated as transient housing. Borrower shall provide to Tenants and post in a public location at the Development a "Tenants Rights and Responsibilities" document in the form provided by the County.

##### Section 4.2 Compliance with Loan Documents and Regulatory Requirements.

(a) Borrower's actions with respect to the Property shall at all times be in full conformity with: (i) all requirements of the Loan Documents and the Ground Lease; (ii) the Implementation Policies; and (iii) any other regulatory requirements imposed on the Development including but not limited to regulatory agreements associated with the Low Income Housing Tax Credits provided by the California Tax Credit Allocation Committee, and rental subsidies provided to the Development (the "Development Regulatory Documents").

(b) Borrower shall promptly notify the County in writing of the existence of any default under any Development Regulatory Documents, and provide the County copies of any such notice of default.

##### Section 4.3 Taxes and Assessments.

(a) Borrower is solely responsible for payment of all fees, assessments, taxes, charges, and levies imposed by any public authority or utility company with respect to the

Property or the Development, and shall pay such charges prior to delinquency and at such times and in such manner as to prevent any penalty from accruing, or any lien or charge from attaching to the Property. Borrower is also solely responsible for payment of all personal property taxes, and all franchise, income, employment, old age benefit, withholding, sales, and other taxes assessed against it, or payable by it, and shall pay such charges prior to delinquency and at such times and in such manner as to prevent any penalty from accruing, or any lien or charge from attaching to the Property.

(b) However, Borrower is not required to pay and discharge any such charge so long as: (i) the legality thereof is being contested diligently and in good faith and by appropriate proceedings; and (ii) if requested by the County, Borrower deposits with the County any funds or other forms of assurance that the County in good faith from time to time determines appropriate to protect the County from the consequences of the contest being unsuccessful.

(c) In the event Borrower exercises its right to contest any tax, assessment, or charge against it, Borrower, on final determination of the proceeding or contest, will immediately pay or discharge any decision or judgment rendered against it, together with all costs, charges and interest.

(d) Borrower shall not apply for a property tax exemption for the Property under any provision of law except California Revenue and Taxation Code Section 214(g) without the prior written consent of the County.

#### Section 4.4 Marketing Plan.

(a) No later than six (6) months prior to the projected date of the completion of the Development, Borrower shall submit to the County for approval its plan for marketing the Development (the "Marketing Plan"), to ensure that target populations, countywide and local residents and workforce populations will be aware of the housing opportunities in the Development. Specifically, the Marketing Plan must comply with the requirements set forth in Section III.F of the Implementation Policies regarding affirmative fair marketing, and include information on Borrower's plan to: (i) affirmatively market the Development to income-eligible households, (ii) comply with fair housing laws and (iii) meet the targeting and preference requirements of Section 3.2 and 3.3 above.

(b) Upon receipt of the Marketing Plan, the County shall promptly review the Marketing Plan and shall approve or disapprove it within fifteen (15) days after submission, provided that such approval shall not be unreasonably denied. If the Marketing Plan is not approved, the County shall set forth in writing and notify Borrower of the County's reasons for withholding such approval. Borrower shall submit a revised Marketing Plan within fifteen (15) days thereafter, and the County shall approve or disapprove it within fifteen (15) days after submission, provided that such approval shall not be unreasonably denied. If the County does not approve the revised Marketing Plan, Borrower shall be in default hereunder.

(c) Borrower shall comply with the approved Marketing Plan during the Term and may not make material modifications to the Marketing Plan without the prior written approval of the County, which approval shall not be unreasonably withheld.

Section 4.5 Tenant Selection Plan.

(a) No later than six (6) months prior to the projected date of the completion of the Development, Borrower shall submit to the County for approval its policies and criteria for selecting tenants for the Development to ensure that the leasing of the Development will be conducted in a manner that provides fair and equal access under the law (the "Tenant Selection Plan"). The Tenant Selection Plan may be part of the Marketing Plan. The Tenant Selection Plan must comply with the requirements set forth in the Implementation Policies including but not limited to Sections III.H, I, J, and K, of the Implementation Policies regarding Tenant screening, immigration status, applications and waitlists, and Coordinated Entry, and include information on Borrower's plan to: (i) limit occupancy to income-eligible households, (ii) give notice to applicants of rejection and grounds for rejection, (iii) manage applicants on a wait list for occupancy in the Development, and (iv) comply with fair housing laws.

(b) Upon receipt of the Tenant Selection Plan, the County shall promptly review the Tenant Selection Plan and shall approve or disapprove it within fifteen (15) days after submission, provided that such approval shall not be unreasonably denied. If the Tenant Selection Plan is not approved, the County shall set forth in writing and notify Borrower of the County's reasons for withholding such approval. Borrower shall submit a revised Tenant Selection Plan within fifteen (15) days thereafter, and the County shall approve or disapprove it within fifteen (15) days after submission, provided that such approval shall not be unreasonably denied. If the County does not approve the revised Tenant Selection Plan, Borrower shall be in default hereunder.

(c) Borrower shall comply with the approved Tenant Selection Plan during the Term and may not make material modifications to the Tenant Selection Plan without the prior written approval of the County, which approval shall not be unreasonably withheld.

Section 4.6 Resident Services Plan and Budget.

(a) No later than six (6) months prior to the projected date of the completion of the Development, Borrower shall submit to the County a plan for providing supportive services to the Tenants (the "Resident Services Plan") and a budget for providing those services (the "Resident Services Budget") for the initial year of operation of the Development. The Resident Services Plan must identify service provider(s) and staffing levels, and describe the services provided. The Resident Services Plan must include copies of contracts and/or memoranda of understanding for the provision of services by service providers, along with any annual compliance certifications. The Resident Services Budget must state the dollar value of the services, and the funding source(s) for the services (cash or in-kind).

(b) Upon receipt by the County of the proposed Resident Services Plan and Resident Services Budget, the County shall promptly review the same and approve or disapprove it within fifteen (15) days, provided that such approval shall not be unreasonably denied. If the Resident Services Plan and/or Resident Services Budget are not approved by the County, the County shall set forth in writing and notify Borrower of the County's reasons for withholding such approval, which may include a request by the County for a change in the nature or scope of resident services or a change in service provider. Borrower shall, within fifteen (15) days thereafter, submit a revised Resident Services Plan and/or Resident Services Budget for County

approval in accordance with this subsection. If the County does not approve the revised Resident Service Plan, Borrower shall be in Default hereunder.

(c) Borrower shall thereafter submit to the County annual updates to the Resident Services Plan and Resident Services Budget by October 1st of each year of operation of the Development, identifying any changes made to the previously approved Resident Services Plan and Resident Services Budget. Any revisions to the Resident Services Plan and Resident Services Budget shall be subject to the County's review and approval and the process for timing and review of such revisions shall be subject to the process identified in subsection (b).

#### Section 4.7 Lease Provisions.

(a) No later than four (4) months prior to the date construction of the Development is projected to be complete, Borrower shall submit to the County Borrower's proposed form of lease agreement for the County's review and approval. When leasing Units within the Development, Borrower shall use the form of lease approved by the County. The form of lease must comply with all requirements of this Agreement, the other Loan Documents and must, among other matters:

(1) Provide for termination of the lease and consent by the Tenant to immediate eviction for failure: (i) to provide any information required under this Agreement or reasonably requested by Borrower to establish or recertify the Tenant's qualification, or the qualification of the Tenant's household, for occupancy in the Development in accordance with the standards set forth in this Agreement, or (ii) to qualify as a 20%, 30%, 50%, or 60% AMI Household, as applicable, as a result of any material misrepresentation made by such Tenant with respect to the income computation.

(2) Be for an initial term of not less than one (1) year, unless by mutual agreement between the Tenant and Borrower, and provide for no increase in Rent during such year. After the initial year of tenancy, the lease may be month-to-month by mutual agreement of Borrower and the Tenant. Notwithstanding the above, any Rent increases shall be subject to the requirements of Section 2.3.

(3) Include a provision which shall require a Tenant who is residing in a Unit made accessible pursuant to Section 3.10 of the Loan Agreement and who is not in need of an accessible Unit to move to a non-accessible Unit when a non-accessible Unit becomes available and another Tenant or prospective Tenant is in need of an accessible Unit.

(4) Include any provisions necessary to comply with the requirements of the Violence Against Women Reauthorization Act of 2013 (Pub. L. 113-4, 127 Stat. 54) applicable to HUD-funded programs.

(b) Any termination of a lease or refusal to renew a lease for a County-Assisted Unit within the Development must be preceded by not less than sixty (60) days written notice to the Tenant by Borrower specifying the grounds for the action.

Section 4.8 Annual Operating Budget; Operating Deficiencies.

(a) Borrower, at least sixty (60) days prior to the end of each of Borrower's fiscal years, shall furnish the County a budget for the operation of the Development (the "Annual Operating Budget"). The County may request additional information to assist the County in evaluating the financial viability of the Development. Upon receipt by the County of the proposed Annual Operating Budget, the County shall promptly review the same and approve or disapprove it within fifteen (15) days, provided that such approval shall not be unreasonably denied. If the Annual Operating Budget is not approved by the County, the County shall set forth in writing and notify Borrower of the County's reasons for withholding such approval. Borrower shall thereafter submit a revised Annual Operating Budget for County approval within thirty (30) days, which approval shall be granted or denied within fifteen (15) days in accordance with the procedures set forth above.

(b) Borrower shall promptly notify the County upon Borrower's discovery that Borrower's rental income and other Development subsidies are insufficient to pay for any or all operating expenses incurred by Borrower in connection with the operations of the Development.

Section 4.9 Reserves; County Approval of Use of Reserve Funds.

(a) Replacement Reserve Account. Borrower shall establish and maintain an account that is available for capital expenditures for repairs and replacement necessary to maintain the Development in the condition required by the Loan Documents (the "Replacement Reserve Account"). Borrower shall deposit in the Replacement Reserve Account six-tenths of one percent (0.6%) of the replacement costs of the Development annually, up to Six Hundred Dollars (\$600) per unit.

(b) Operating Reserve Account. Borrower shall establish and maintain an account that is available to fund operating deficits (which is the amount by which Annual Operating Expenses exceed Gross Revenue for any period) (the "Operating Reserve Account"). Borrower shall capitalize the Operating Reserve Account at Permanent Closing in the amount of three (3) months of Annual Operating Expenses; provided, however that if the Partnership Agreement or the documents evidencing the Permanent Financing require the Operating Reserve Account to be capitalized and replenished in a greater amount, Borrower shall capitalize and replenish the Operating Reserve Account as required by the Partnership Agreement or the documents evidencing the Permanent Financing, as applicable, for as long as the Partnership Agreement or the Permanent Financing, as applicable, is outstanding. Borrower shall make payments of at least two percent (2%) of gross rent until the account reaches six (6) months of Annual Operating Expenses.

(c) Consent to Withdraw Funds. Prior to the use of funds from any reserve account, Borrower must submit a written request to withdraw funds from the reserve account if such withdrawal will exceed Five Thousand Dollars (\$5,000) or if the cumulative of all draws made to date exceed Twenty Thousand (\$20,000). The written request shall specify the amount requested and state how the funds will be used. The County shall approve such request within thirty (30) days of receipt of the written request for use of reserves; such approval shall not be unreasonably withheld.

Section 4.10 Additional County Requirements.

(a) Borrower shall comply with all applicable laws and regulations governing the use of the County Loan including but not limited to, the requirements of the Implementation Policies, this Agreement, and the County Contract.

(b) The laws and regulations governing the use of the County Loan funds include (but are not limited to) the following:

(1) Environmental and Historic Preservation. 24 C.F.R. Part 58, which prescribes procedures for compliance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321-4361), and the additional laws and authorities listed at 24 C.F.R. 58.5.

(2) Applicability of Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The applicable policies, guidelines, and requirements of 2 C.F.R. Part 200.

(3) Debarred, Suspended or Ineligible Contractors. The prohibition on the use of debarred, suspended, or ineligible contractors set forth in 24 C.F.R. Part 24.

(4) Civil Rights, Housing and Community Development, and Age Discrimination Acts. The Fair Housing Act (42 U.S.C. 3601 *et seq.*) and implementing regulations at 24 C.F.R. Part 100; Title VI of the Civil Rights Act of 1964 as amended; Title VIII of the Civil Rights Act of 1968 as amended; Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended; Section 504 of the Rehabilitation Act of 1973 (29 USC 794, *et seq.*); the Age Discrimination Act of 1975 (42 USC 6101, *et seq.*); Executive Order 11063 as amended by Executive Order 12259 and implementing regulations at 24 C.F.R. Part 107; Executive Order 11246 as amended by Executive Orders 11375, 12086, 11478, 12107; Executive Order 11625 as amended by Executive Order 12007; Executive Order 12432; Executive Order 12138 as amended by Executive Order 12608; Executive Order 13672 concerning gender identity.

(5) Lead-Based Paint. The requirement of the Lead-Based Paint Poisoning Prevention Act, as amended (42 U.S.C. 4821 *et seq.*), the Residential Lead-Based Paint Hazard Reduction Act (42 U.S.C. 4851 *et seq.*), and implementing regulations at 24 C.F.R. Part 35.

(6) Relocation. The requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC 4601, *et seq.*) and implementing regulations at 49 C.F.R. Part 24; Section 104(d) of the Housing and Community Development Act of 1974 and implementing regulations at 24 C.F.R. Part 42; and California Government Code Section 7260 *et seq.* and implementing regulations at 25 California Code of Regulations Sections 6000 *et seq.*

(7) Discrimination against the Disabled. The requirements of the requirements of the Fair Housing Act (42 U.S.C. 3601 *et seq.*) and implementing regulations at 24 C.F.R. Part 100; Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), and federal regulations issued pursuant thereto, which prohibit discrimination against the disabled in any

federally assisted program, the requirements of the Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) and the applicable requirements of Title II and/or Title III of the Americans with Disabilities Act of 1990 (42 U.S.C. 12131 *et seq.*), and federal regulations issued pursuant thereto.

(8) Clean Air and Water Acts. The Clean Air Act, as amended, 42 U.S.C. 7401 *et seq.*, the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 *et seq.*, and the regulations of the Environmental Protection Agency with respect thereto, at 40 C.F.R. Part 1500, as amended from time to time.

(9) Training Opportunities. The requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u ("Section 3"), requiring that to the greatest extent feasible opportunities for training and employment be given to lower income residents of the project area and agreements for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in, the areas of the project. Borrower agrees to include the following language in all subcontracts in excess of \$100,000 executed under this Agreement:

i. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u. The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

ii. The parties to this contract agree to comply with HUD's regulations in 24 C.F.R. Part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.

iii. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause; and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference; shall set forth minimum number and job titles subject to hire; availability of apprenticeship and training positions; the qualifications for each; the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

iv. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 C.F.R. Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 C.F.R. Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C.F.R. Part 135.

v. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 C.F.R. Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 C.F.R. Part 135.

vi. Noncompliance with HUD's regulations in 24 C.F.R. Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

vii. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

(10) Labor Standards. The applicable labor requirements which require compliance with the prevailing wage requirements of the Davis-Bacon Act and implementing rules and regulations (40 U.S.C. 3141-3148); the Copeland "Anti-Kickback" Act (40 U.S.C. 276(c)) which requires that workers be paid at least once a week without any deductions or rebates except permissible deductions; the Contract Work Hours and Safety Standards Act – CWHSSA (40 U.S.C. 3701-3708) which requires that workers receive "overtime" compensation at a rate of 1-1/2 times their regular hourly wage after they have worked forty (40) hours in one (1) week; and Title 29, Code of Federal Regulations, Subtitle A, Parts 1, 3 and 5 are the regulations and procedures issued by the Secretary of Labor for the administration and enforcement of the Davis-Bacon Act, as amended.

(11) Drug Free Workplace. The requirements of the Drug Free Workplace Act of 1988 (P.L. 100-690) and implementing regulations at 24 C.F.R. Part 24.

(12) Anti-Lobbying; Disclosure Requirements. The disclosure requirements and prohibitions of 31 U.S.C. 1352 and implementing regulations at 24 C.F.R. Part 87.

(13) Historic Preservation. The historic preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. Section 470) and the procedures set forth in 36 C.F.R. Part 800. If archeological, cultural, or historic period resources are discovered during construction, all construction work must come to a halt and Borrower shall immediately notify the County. Borrower shall not alter or move the discovered material(s) until all appropriate procedures for "post-review discoveries" set forth in Section 106 of the National Historic Preservation Act have taken place, which include, but are not limited to, consultation with the California State Historic Preservation Officer and evaluation of the discovered material(s) by a qualified professional archeologist.



(14) Violence Against Women. The requirements of the Violence Against Women Reauthorization Act of 2013 (Pub. L. 113-4, 127 Stat. 54) applicable to HUD-funded programs.

## ARTICLE 5 PROPERTY MANAGEMENT AND MAINTENANCE

### Section 5.1 Management Responsibilities.

Borrower is responsible for all management functions with respect to the Development, including, without limitation, the selection of Tenants, certification and recertification of household size and income, evictions, collection of rents and deposits, maintenance, landscaping, routine and extraordinary repairs, replacement of capital items, and security. The County shall have no responsibility over management of the Development. Borrower shall retain a professional property management company approved by the County in its reasonable discretion to perform Borrower's management duties hereunder. An on-site property management representative is required to reside at the Property.

### Section 5.2 Management Agent.

Borrower shall cause the Development to be managed by an experienced management agent reasonably acceptable to the County, with demonstrated ability to operate residential facilities like the Development in a manner that will provide decent, safe, and sanitary housing (as approved, the "Management Agent"). Borrower shall submit for the County's approval the identity of any other proposed Management Agent. Borrower shall also submit such additional information about the background, experience and financial condition of any proposed management agent as is reasonably necessary for the County to determine whether the proposed management agent meets the standard for a qualified management agent set forth above. If the proposed management agent meets the standard for a qualified management agent set forth above, the County shall approve the proposed management agent by notifying Borrower in writing.

### Section 5.3 Periodic Performance Review.

The County reserves the right to conduct an annual (or more frequently, if deemed necessary by the County) review of the management practices and financial status of the Development. The purpose of each periodic review will be to enable the County to determine if the Development is being operated and managed in accordance with the requirements and standards of this Agreement. Borrower shall cooperate with the County in such reviews.

### Section 5.4 Replacement of Management Agent.

If, as a result of a periodic review, the County determines in its reasonable judgment that the Development is not being operated and managed in accordance with any of the material requirements and standards of this Agreement, the County shall deliver written notice to Borrower of its intention to cause replacement of the Management Agent, including the reasons

therefor. Within fifteen (15) days after receipt by Borrower of such written notice, County staff and Borrower shall meet in good faith to consider methods for improving the financial and operating status of the Development, including, without limitation, replacement of the Management Agent.

If, after such meeting, County staff recommends in writing the replacement of the Management Agent, Borrower shall promptly dismiss the current Management Agent, and shall appoint as the Management Agent a person or entity meeting the standards for a management agent set forth in Section 5.2 above and approved by the County pursuant to Section 5.2 above.

Any contract for the operation or management of the Development entered into by Borrower shall provide that the Management Agent may be dismissed and the contract terminated as set forth above. Failure to remove the Management Agent in accordance with the provisions of this Section shall constitute a default under this Agreement, and the County may enforce this provision through legal proceedings as specified in Section 6.5 below.

#### Section 5.5 Approval of Management Policies.

Borrower shall submit its written management policies with respect to the Development to the County for its review and shall amend such policies in any way necessary to ensure that such policies comply with the provisions of this Agreement.

#### Section 5.6 Property Maintenance.

(a) County Standards. The County places prime importance on quality maintenance to protect its investment and to ensure that all County-assisted housing projects within the County are not allowed to deteriorate due to below-average maintenance. Normal wear and tear of the Development will be acceptable to the County assuming Borrower agrees to provide all necessary improvements to assure the Development is maintained in good condition. Borrower shall make all repairs and replacements necessary to keep the improvements in good condition and repair.

(b) Maintenance Requirements. For the entire Term of this Agreement Borrower shall maintain all interior and exterior improvements, including landscaping, on the Property in decent, safe and sanitary condition, and good condition and repair (and, as to landscaping, in a healthy condition), in accordance with all applicable laws, rules, ordinances, orders and regulations of all federal, state, county, municipal, and other governmental agencies and bodies having or claiming jurisdiction and all their respective departments, bureaus, and officials. Borrower shall cause the Development to be free of all health and safety defects. Borrower shall correct any life-threatening maintenance deficiencies, immediately upon notification.

(c) Violation of Maintenance Requirements. In the event that Borrower breaches any of the covenants contained in this section and Borrower does not commence to cure such breach within (i) a period of five (5) business days after written notice from County (and diligently prosecute such cure to completion within ten (10) business days following such notice) with respect to graffiti, debris, waste material, landscaping and general

maintenance or (ii) or a period of ten (10) business days after written notice from the County (and diligently prosecute such cure to completion within thirty (30) days following such notice) with respect to landscaping and building improvements, then the County, in addition to whatever other remedy it may have at law or in equity, shall have the right to enter upon the Development and the Borrower's interest in the Property and perform or cause to be performed all such acts and work necessary to cure the default. Pursuant to such right of entry, the County shall be permitted (but is not required) to enter upon the Development and the Borrower's interest in the Property and perform all acts and work necessary to protect, maintain, and preserve the improvements and landscaped areas on the Development and the Borrower's interest in the Property, and to attach a lien on the Development and the Borrower's interest in the Property, or to assess on the Development and the Borrower's interest in the Property, in the amount of the expenditures arising from such acts and work of protection, maintenance, and preservation by the County and/or costs of such cure, which amount shall be promptly paid by Borrower to the County upon demand.

Section 5.7 Inspections.

(a) The County shall have the right to perform an on-site inspection of the Development when deemed necessary by the County, in any event at least one (1) time per year upon reasonable notice to Borrower to ensure compliance with the requirements of the Loan Documents. Borrower agrees to cooperate in such inspection.

(b) After the completion of an inspection, the County shall deliver a copy of the inspection report to Borrower. If the County determines as a result of such inspection that there are any life-threatening health and safety related deficiencies, Borrower has the obligation to correct such deficiencies immediately. If the County determines as a result of the inspection that there are any deficiencies for any of the inspectable items in the Development, Borrower shall correct such deficiencies within fifteen (15) days from the delivery of the inspection report or if a period longer than fifteen (15) days is reasonably necessary to correct the deficiency, then Borrower must begin to correct the deficiency within fifteen (15) days and correct the deficiency as soon as reasonably possible. In addition, Borrower acknowledges that the County may reinspect the Development to verify all deficiencies have been corrected or rely on third party documentation submitted by Borrower for non-hazardous deficiencies.

Section 5.8 Asset Management.

Borrower is responsible for all asset management functions with respect to the Development, including, without limitation, the oversight of the Management Agent, maintaining accurate and current books and records for the Development, and promptly paying costs incurred in connection with the Development. The County shall have no responsibility over asset management of the Development.

ARTICLE 6  
MISCELLANEOUS

Section 6.1 Nondiscrimination.

(a) Borrower covenants by and for Borrower, its assigns, and all persons claiming under or through Borrower, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, religion, creed, age, disability, sex, sexual orientation, marital status, familial status, source of income, ancestry or national origin, Vietnam era veteran's status, political affiliation, HIV/AIDS, or any other arbitrary basis, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of any Unit nor shall Borrower or any person claiming under or through Borrower, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees of any Unit or in connection with the employment of persons for the construction, operation and management of any Unit. Notwithstanding the above, with respect to familial status, the above should not be construed to apply to housing for older persons as defined in Section 12955.9 of the Government Code and other applicable sections of the Civil Code as identified in Health and Safety Code Section 33050(b).

(b) Nothing in this Section prohibits Borrower from requiring County-Assisted Units in the Development to be available to and occupied by eligible households in accordance with this Agreement.

(c) Borrower shall accept as Tenants, on the same basis as all other prospective Tenants, persons who are recipients of federal certificates for rent subsidies pursuant to the existing housing program under Section 8 of the United States Housing Act, or its successor. Borrower shall not apply selection criteria to Section 8 certificate or voucher holders that are more burdensome than criteria applied to all other prospective Tenants, nor shall Borrower apply or permit the application of management policies or lease provisions with respect to the Development which have the effect of precluding occupancy of units by such prospective Tenants.

#### Section 6.2 Application of Provisions.

The provisions of this Agreement shall apply to the Development and the Borrower's interest in the Property for the entire Term, even if the entire County Loan is paid in full prior to the end of the Term. This Agreement binds any successor, heir or assign of Borrower, whether a change in interest occurs voluntarily or involuntarily, by operation of law or otherwise, except as expressly released by the County. The County makes the County Loan on the condition, and in consideration of, this provision, and would not do so otherwise.

#### Section 6.3 Notice of Expiration of Term.

(a) At least six (6) months prior to the expiration of the Term, Borrower shall provide by first-class mail, postage prepaid, a notice to all Tenants containing (i) the anticipated date of the expiration of the Term, (ii) any anticipated increase in Rent upon the expiration of the Term, (iii) a statement that a copy of such notice will be sent to the County, and (iv) a statement that a public hearing may be held by the County on the issue and that the Tenant will receive notice of the hearing at least fifteen (15) days in advance of any such hearing. Borrower shall also file a copy of the above-described notice with the Housing Director.

(b) In addition to the notice required above, Borrower shall comply with the requirements set forth in California Government Code Sections 65863.10 and 65863.11. Such notice requirements include: (i) a twelve (12) month notice to existing tenants, prospective tenants and Affected Public Agencies (as defined in California Government Code Section 65863.10(a), which would include the Housing Director) prior to the expiration of the Term, (ii) a six (6) month notice requirement to existing tenants, prospective tenants and Affected Public Agencies prior to the expiration of the Term; (iii) a notice of an offer to purchase the Development to "qualified entities" (as defined in California Government Code Section 65863.11(d)), if the Development is to be sold within five (5) years of the end of the Term; (iv) a notice of right of first refusal within the one hundred eighty (180) day period that qualified entities may purchase the Development.

#### Section 6.4 Covenants to Run With the Land.

The County and Borrower hereby declare their express intent that the covenants and restrictions set forth in this Agreement shall run with the land, and shall bind all successors in title to the Development; provided, however, that on the expiration of the Term, said covenants and restrictions expire. Each and every contract, deed or other instrument hereafter executed covering or conveying the Development or the Borrower's interest in the Property or any portion thereof, is to be held conclusively to have been executed, delivered and accepted subject to such covenants and restrictions, regardless of whether such covenants or restrictions are set forth in such contract, deed or other instrument, unless the County expressly releases such conveyed portion of the Development or the Borrower's interest in the Property from the requirements of this Agreement.

#### Section 6.5 Enforcement by the County.

If Borrower fails to perform any obligation under this Agreement, and fails to cure the default within thirty (30) days after the County has notified Borrower in writing of the default or, if the default cannot be cured within thirty (30) days, failed to commence to cure within thirty (30) days and thereafter diligently pursue such cure and complete such cure within sixty (60) days, the County shall have the right to enforce this Agreement by any or all of the following actions, or any other remedy provided by law:

(a) Calling the County Loan. The County may declare a default under the Note, accelerate the indebtedness evidenced by the Note, and proceed with foreclosure under the Deed of Trust.

(b) Action to Compel Performance or for Damages. The County may bring an action at law or in equity to compel Borrower's performance of its obligations under this Agreement, and/or for damages.

(c) Remedies Provided Under Loan Documents. The County may exercise any other remedy provided under the Loan Documents. The Investor Limited Partner shall have the right but not the obligation to cure any default of Borrower set forth herein, during any applicable cure period described in this Agreement, and the County will accept tender of such cure as if delivered by the Borrower.

Section 6.6 Attorneys' Fees and Costs.

In any action brought to enforce this Agreement, the prevailing party shall be entitled to all costs and expenses of suit, including reasonable attorneys' fees. This section shall be interpreted in accordance with California Civil Code Section 1717 and judicial decisions interpreting that statute.

Section 6.7 Recording and Filing.

The County and Borrower shall cause this Agreement, and all amendments and supplements to it, to be recorded in the Official Records of the County of Alameda. This Agreement shall be recorded against the Borrower's fee interest in the Property senior to any other instrument, including, but not limited any deed of trust.

Section 6.8 Governing Law.

This Agreement is governed by the laws of the State of California.

Section 6.9 Waiver of Requirements.

Any of the requirements of this Agreement may be expressly waived by the County in writing, but no waiver by the County of any requirement of this Agreement shall, or shall be deemed to, extend to or affect any other provision of this Agreement.

Section 6.10 Amendments.

This Agreement may be amended only by a written instrument executed by all the parties hereto or their successors in title, and duly recorded in the Official Records of the County of Alameda. Any legal fees incurred due to any amendment of this Agreement, or any of the Loan Documents, shall be paid for by the Borrower.

Section 6.11 Notices.

Formal notices, demands, and communications between the Parties shall be sufficiently given if, and shall not be deemed given unless, dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered by express delivery service, return receipt requested, or delivered personally, to the principal office of the Parties as follows:

County:

County of Alameda  
Housing and Community Development Department  
224 W. Winton Avenue, Room 108  
Hayward, CA 94544  
Attention: Housing Director

Borrower:

Jordan, L.P.  
c/o Satellite Affordable Housing Associates  
1835 Alcatraz Avenue  
Berkeley, CA 94703  
Attention: Chief Executive Officer

with a copy to:

NEF Assignment Corporation  
c/o National Equity Fund  
10 S. Riverside Plaza, Suite 1700  
Chicago, IL 60606  
Attention: General Counsel700

Such written notices, demands and communications may be sent in the same manner to such other addresses as the affected Party may from time to time designate by mail as provided in this Section. Receipt shall be deemed to have occurred on the date shown on a written receipt as the date of delivery or refusal of delivery (or attempted delivery if undeliverable).

Section 6.12 Severability.

If any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions of this Agreement shall not in any way be affected or impaired thereby.

Section 6.13 Multiple Originals; Counterparts.

This Agreement may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts.

Section 6.14 Term.

The provisions of this Agreement shall apply to the Property for the entire Term, even if the entire County Loan is paid in full prior to the end of the Term. This Agreement shall bind any successor, heir or assign of Borrower, whether a change in interest occurs voluntarily or involuntarily, by operation of law or otherwise, except as expressly released by the County. The

County makes the County Loan on the condition, and in consideration of, this provision, and would not do so otherwise.

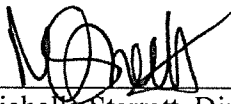
**[Signatures on following page.]**



WHEREAS, this Agreement has been entered into by the undersigned as of the date first written above.

**COUNTY:**

COUNTY OF ALAMEDA, a political subdivision of the State of California

By:   
\_\_\_\_\_  
Michelle Starratt, Director  
Housing and Community Development Department

**BORROWER:**

JORDAN, L.P., a California limited partnership

By: Jordan GP LLC, a California limited liability company  
Its General Partner

By: Satellite AHA Development, Inc., a California nonprofit  
public benefit corporation, its Member and Manager

**executed in counterpart**

By: \_\_\_\_\_  
Susan Friedland, Chief Executive Officer

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
COUNTY OF Alameda )

On August 6, 2010, before me, Eileen DeGuzman, <sup>Deputy County Clerk</sup> Notary Public, personally appeared Michelle Starratt, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Eileen DeGuzman  
Name: Eileen DeGuzman  
Notary Public Deputy County Clerk

WHEREAS, this Agreement has been entered into by the undersigned as of the date first written above.

**COUNTY:**

COUNTY OF ALAMEDA, a political subdivision of the State of California

By: \_\_\_\_\_  
Michelle Starratt, Director  
Housing and Community Development Department


**executed in counterpart**

**BORROWER:**

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By: Jordan GP LLC, a California limited liability company  
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By:   
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Susan Friedland, Chief Executive Officer

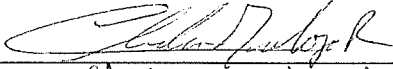
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

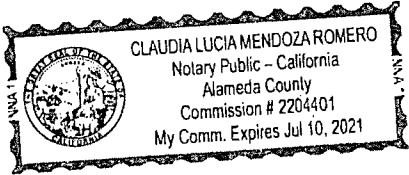
STATE OF CALIFORNIA )  
 )  
COUNTY OF Alameda )

On August 10, 2020, before me, Claudia Lucia Mendoza Romero, Notary Public, personally appeared Susan Friedland, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

  
Name: Claudia Lucia Mendoza Romero  
Notary Public

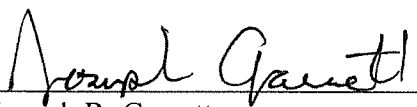



## Ground Lessor Joinder and Consent

All Souls Episcopal Parish in Berkeley, a California non-profit religious corporation (the "Ground Lessor") executes this Joinder and Consent to the Regulatory Agreement and Declaration of Restrictive Covenants dated August 1, 2020 between the county of Jordan L.P., a California limited partnership (the "Regulatory Agreement"). All capitalized terms in this joinder shall have the meaning set forth in the Regulatory Agreement.

The Ground Lessor consents to the recordation of this Regulatory Agreement against its fee interest in the Property and acknowledges that the covenants, terms and provisions contained in this Regulatory Agreement are binding on the fee and leasehold interest in the Property and on the Project and every person having an interest in the fee and leasehold interest in the Property and Project. In the event the Ground Lease is terminated and Ground Lessor enters into a new ground lease with a successor entity approved by the County, the Property and Project will remain subject to the Regulatory Agreement and the new lessee, and its successor and assigns, will comply with the terms and conditions of the Regulatory Agreement. In the event the Ground Lease is terminated and Ground Lessor does not enter into a new lease with a successor entity approved by the County, the Property and Project will remain subject to and the Ground Lessor, and its successor and assigns, will comply with the terms and conditions of the Regulatory Agreement.

All Souls Episcopal Parish in Berkeley, a California  
non-profit religious corporation

By:   
Joseph R. Garrett  
Senior Warden

By:   
Tonantzin Martinez Borgfeldt  
Junior Warden

# ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

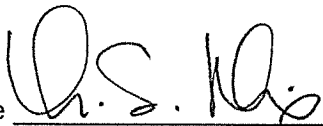
State of California  
County of Alameda )

On August 10, 2020 before me, L.S. Hix, notary public  
(insert name and title of the officer)

personally appeared Joseph R. Garrett and Tonantzin Martinez Borgfeldt,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in  
~~his/her~~ their authorized capacity(ies), and that by ~~his/her~~ their signature(s) on the instrument the  
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature   
L.S. Hix

(Seal)

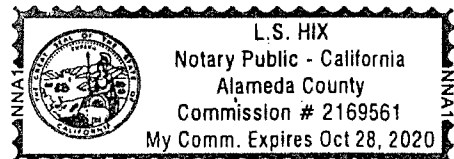


EXHIBIT A

FEE AND LEASEHOLD LEGAL DESCRIPTION OF THE PROPERTY

All that certain real property situated in the city of Alameda, County of Alameda, State of California, described as follows:

**All that real property situated in the City of Berkeley, County of Alameda, State of California, being all of Lots 24 and 25 in Block 3, as said Lots and Block are shown upon that certain Map entitled "Map of the Martin Kellogg Property, Berkeley, Alameda County, California", filed April 8, 1904 in Book 19 of Maps at Page 35, in the Office of the County Recorder of Alameda County, more particularly described as follows:**

**BEGINNING at the point of intersection of the Southern line of Cedar Street with the Eastern line of Oxford Street, as said Streets are shown on said Map, running thence Southerly along said line of Oxford Street 100 feet; thence at right angles Easterly 135 feet to the Eastern line of said Lot 24; thence at right angles Northerly 109.91 feet to the Southern line of Cedar Street; thence Westerly along said line of Cedar Street, 135.36 feet to the POINT OF BEGINNING.**

**Being Parcel 2, as shown on the Lot Line Adjustment recorded August 11, 2020, Instrument No. 2020193731, Alameda County Records.**

**APN: 058-2183-001 and a portion of 058-2183-002-001**

EXHIBIT B

I, the Undersigned, certify that I have read and answered fully, and truthfully each of the following questions for all persons in the household who are to occupy a room in this house for which application is made.

<u>Occupant's Name</u>	<u>Social Security #</u>	<u>Age</u>	<u>Place of Employment</u>	<u>Annual Income</u>
1.				
2.				
3.				
4.				
5.				
6.				
7.				
			<b>TOTAL:</b>	

The total anticipated annual household income\* for the twelve (12) month period beginning this date (the sum of the final column): \$ \_\_\_\_\_.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
                    Head of Household

\* The anticipated annual Income as determined by Attachment A.



**Owner's Certification of Household Income**

Household Name \_\_\_\_\_

I certify, as Owner/Management Agent for \_\_\_\_\_ that I have verified this Household's Income by using the following:

- 1. Tax returns \_\_\_\_\_
- 2. Place of employment verification \_\_\_\_\_
- 3. Pay stubs \_\_\_\_\_
- 4. Notarized statement from lessee \_\_\_\_\_
- 5. Other (please describe) \_\_\_\_\_

\_\_\_\_\_  
Owner/Management Agent

\_\_\_\_\_  
Date